FBIS DAILY REPORT

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CONTADORA GROUP ISSUES DECLARATION IN PANAMA

PA111742 Panama City LA ESTRELLA DE PANAMA in Spanish 11 Jan 85 pp 40, D 6, A 10

[Final declaration of the Contadora Group meeting held in Panama City from 8-9 January; dated 9 January]

[Text] In early 1983, the situation in Central America threatened to unleash a generalized armed conflict. In view of these prospects, the Governments of Colombia, Mexico, Panama, and Venezuela decided to join efforts to promote a peaceful settlement of the conflicts in Central America on the basis of conciliation and recognition of the legitimate interests of all countries involved, as well as to keep the principles of nonintervention and self-determination of the Central American peoples in full force. Since then, the governments of the Contadora Group have underlined the socioeconomic roots of the Central American crisis and expressed their deep concern over foreign military intervention in the area because of the risk of drawing this conflict into the context of the East-West confrontation. The process promoted by the Contadora Group has attained the following objectives, among others, that at the same time constitute its most important achievements:

1. Establishment of a regional political mechanism that paved the way for a system of dialogue and negotiation among the Governments of Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua.

2. Indentification of the problems plaguing the Central American countries and the drafting of an agenda including the most contentious issues.

3. Promotion of specific commitments by the Central American governments, which were adopted in the Document of Objectives and in the rules for fulfillment of these commitments.

4. Coordination of a broad consultation and negotiation effort among those governments that culminated in the drafting of the Contadora Document for Peace and Cooperation in Central America, which as a legal instrument will promote the peaceful coexistence and just and stable development to which the peoples in the region are entitled.

5. Creation of an international awareness of the crisis in Central America, support from the international community for its peaceful settlement, and the recognition of the Contadora Group as the viable option to achieve this end.

These achievements and other political contributions have helped avert the outbreak of an armed conflict in the region, which would have serious consequences for Central America and Latin America as well as for international peace and security as a whole.

Despite the persistence of various and serious threats to regional stability, it is necessary to acknowledge certain recent progress in the search for detente: the establishment of the Supervision and Prevention Commission [to avert] border incidents in Costa Rica and Nicaragua; the beginning of the bilateral dialogue between the U.S. and Nicaraguan Governments; the creation of the Action Committee for the Economic and Social Development of Central America (Cadesca); and, finally, the meeting held in Costa Rica by the foreign ministers of the EEC, Spain, and Portugal with their Central American counterparts and those of the Contadora Group. Likewise, the progress in the institutional and democratic life that has taken place in several countries in the region where electoral processes have been carried out must be recognized. The holding of the dialogue between the government and the FMLN-FDR in El Salvador, which has given rise to expectations about about ending its internal conflict, favors detente.

In addition, we must stress the resolutions of the International Court of Justice, the UN General Assembly, and the OAS General Assembly which have reasserted the imperative need for the international legal system to prevail. Moreover, in the last two instances the international community has expressed its universal and unqualified support to the Contadora Group and has called on the Central American governments to sign the Contadora Document as an instrument for the peaceful settlement of controversies.

In the present context, it would be unacceptable for political intransigency and the use of power to prevail over dialogue and negotiation. For this reason, the intimidating demonstrations and destabilizing actions currently altering coexistence in Central America, affecting the sovereignty of the nations in the area, and hindering the pacification process, of which the signing of the Contadora Document and the implementation of commitments that may be agreed to therein form part, are viewed with concern. In order to make this objective viable, the Central American governments are urged to show their political goodwill without reservations by effectively complying with the commitments undertaken in the Document of Objectives they signed on 9 September 1983. It is urgent to abstain from any action that may hinder efforts toward peace, security, and stability in the region as well as to expand all types of consultations and contacts that may promote the negotiation process and prevent any incident that may obstruct it.

The Contadora Group urges the Governments of the United States and Nicaragua to intensify the dialogue they are holding in Manzanillo in order to conclude agreements furthering a normalization of their relations and regional detente. Likewise, the group recognizes the importance of intensifying the dialogue between the Salvadoran Government and the FMLN-FDR to put an end to the conflict plaguing that country and to encourage national reconciliation.

Some Central American governments have submitted observations on the draft of the Contadora Document for Peace and Cooperation. The Contadora Group has adopted those which make the document more precise and will propose formulas to conciliate the different positions still pending settlement.

On this date, the Contadora Group expresses its desire to continue promoting the conclusion of a final agreement among the Central American countries to lay the groundwork for a system of respectful regional coexistence and to promote sustained social economic development as well as the strengthening of democratic and pluralistic institutions. The Contadora Group is pleased to note that the timetable established on 7 September 1984, on the occasion of the delivery of the draft of the Contadora Document, has been completely fulfilled and, therefore, after the completion of the process of technical discussion and observations of the document within the established deadlines and intensive bilateral consultations, the political negotiation phase has been reached. Consequently, THE CONTADORA GROUP CALLS THE CENTRAL AMERICAN GOVERNMENTS TO A CONFERENCE OF PLENIPOTENTIARY REPRESENTATIVES ON 14-15 FEBRUARY IN ORDER TO AGREE ON THE VERIFICATION AND CONTROL MECHANISMS AND TO SOLVE OTHER ISSUES STILL PENDING FOR THE SIGNING OF THE CONTADORA DOCUMENT. [capitalized passage published in boldface] This meeting would arrange for a conference for the signing of the Contadora Document for Peace and Cooperation in Central America.

The foreign ministers of the Contadora Group will immediately make the text of the present declaration available to their Central American counterparts. At the same time, they express their satisfaction at having had the opportunity to meet with Panamanian President Nicolas Ardito Barletta, who categorically reiterated his support for the peace efforts of the Contadora Group.

Panama, 9 January 1985

ALFONSIN SUBMITS ECONOMIC PLAN TO TALKS

PY111350 Buenos Aires TELAM in Spanish 0302 GMT 11 Jan 85

[Excerpt] Buenos Aires, 10 Jan (TELAM) -- Last night at the Olivos residence, President Raul Alfonsin submitted to the representatives of the government, business, and labor talks a statement entitled: Executive Branch Declaration. This statement includes the guidelines of a strategy aimed at overcoming the economic crisis that our country is experiencing and at recovering its economic growth. It is the government's intention to subject to the consideration of national socioeconomic sectors those options that the executive branch believes should be considered in order to resolve those difficulties that we are confronting through a consensus and through those mechanisms that will lead to an agreement.

The statement is composed of an introduction and a series of chapters dealing with the following subjects: objectives and guidelines of the strategy aiming at an economic growth; crisis, foreign debt, and flight of capital; positive adjustment; projections of the main macroeconomic variables; and sectorial guidelines. The second part of the statement includes a draft agreement between the government and representatives of the production and social sectors, which in turn includes a preamble and programs on those issues on which there are similar points of view such as inflation, investment, trade, social improvement, production and a series of subjects to be discussed by work groups.

Plan Called 'Important, Substantial'

PY111655 Buenos Aires BUENOS AIRES HERALD in English 11 Jan 85 p 1

[Text] (NA-DYN) -- President Raul Alfonsin last night presented unionist and businessmen participating in the socio-economic contract talks with a "strategy to overcome the economic emergency." The strategy, using much the same rhetoric and figures as the five-year economic plan announced last Tuesday, pledges that real wages this year will not be less than those of 1984 and that a tax reform will be carried out to "avoid the worsening of social inequalities." Alfonsin and contract talks participants met last night to exchange views on economic policy apropos the five-year plan. Presidential spokesman Jose Ignacio Lopez said both labour and business has termed the strategy "important and substantial"

Unified CGT [General Confederation of Labor] and business representatives had been expected to present a joint 20-point economic plan of their own to Alfonsin but Argentine Industrial Union Chairman Roberto Favelevic said the idea was scrapped since both sides had failed to get together before the meeting with the President.

The president, several of his ministers, and contract participants continued their talks at press time last night, with Alfonsin and guests dining at the presidential home in Olivos.

The presidential strategy stated as its goal the "recovery of growth capacity within a framework of more equity, institutional stability, and more efficient use of human and natural resources." In describing the Argentine crisis within an international context, the strategy said "the country forms part of a world scene where its capacity to influence is limited."

"The current fall in world interest rates," it continues, "opens optimistic perspectives. Their rise in the last years was, on the other hand, reason for great concern."

"Argentina should continue in its joint action with other Latin American countries to modify, in as much as possible, the current game rules of the international economic order," the presidential proposal said. Alfonsin's plan likewise suggested the creation of a presidential advisory committee to be made up of contract participants and 22 work groups to analyze specific socio-economic issues.

Further Reaction

PY121805 Buenos Aires BUENOS AIRES HERALD in English 12 Jan 85 p 5

[Text] (NA-DYN) -- Reaction to President Raul Alfonsin's "strategy to overcome the econmic crisis" was mixed yesterday, with unified CGT leaders voicing cautious optimism and business representatives rejecting Alfonsin's proposal that firms establish cost-control mechanisms with the help of the state. CGT Secretary General Saul Ubaldini told reporters that labour would participate in the presidential advisory committee and the 22 work groups proposed by President Raul Alfonsin last Thursday to analyze socio-economic issues.

Osvaldo Borda, another of the four national secretaries-general, said that with the president's strategy "the negotiation stage has ended and the execution stage has begun" in the tripartite talks between the government, labour, and business to try to reach a socio-economic pact. CGT Directive Board member Delfor Gimemez likewise voiced optimism, claiming that the strategy reflects "the only road possible towards confronting the seriousness of the situation." CGT leaders are to meet on Monday to discuss the 35-page strategy in more detail.

Business leaders, though willing to join the new committee and work groups, were less optimistic, with Chamber of Commerce Secretary Carlos de la Vega telling the HERALD that business would most likely reject Alfonsin's proposal that the state help firms in setting up cost-control mechanisms. "A committee to study cost control," De la Vega added, "would only generate more conflicts" with the government. He said as well that businessmen would "find it very hard to accept the plan as it now stands."

Argentine Industrial Union (UIA) Chairman Roberto Favelevic warned of the "practical problems" in setting up 22 work groups on issues that range from exports to health and social services. Favelevic added that labour leaders "will not be able to demand much more with respect to wages than what the government is offering" since certain "givens exist that cannot be resolved by the president's will to do so."

VICE PRESIDENT REPORTS ON NICARAGUA TRIP

PY1218000 Buenos Aires TELAM in Spanish 1148 GMT 12 Jan 85

[Text] Cordoba, 12 Jan (TELAM) -- Vice President Victor Hipolito Martinez has stated in Cordoba that we expect to expand our relations with Nicaragua since the financial commitments that our country has with the world financial powers do not involve any type of restriction on Argentine-Nicaraguan relations. Victor Martinez made these statements shortly after he arrived in Cordoba from Nicaragua where he attended, along with Foreign Affairs Secretary Elsa Kelly, the inauguration of President Daniel Ortega.

Martinez confirmed that he met with Fidel Castro but made it clear that such a meeting was part of the talks held with most of the heads of state and high-ranking government officials who attended Ortega's inauguration, since these events always provide an opportunity to exchange ideas with representatives from other countries.

Asked about the aspects of the standby [in English] [agreement] signed by our country, aspects on which Fidel Castro reportedly asked for information, Martinez stated that Fidel Castro showed interest in the way that the situation was resolved and in the status of the negotiations; notwithstanding, and this is something regrettable, we could not exchange ideas on how Argentina had resolved the foreign debt issue.

Martinez termed the trip highly positive and profitable because we were able to join the Nicaraguan people in this stage that is so important and stated that the relations with the Central American country "are as good as the ones we maintain with other countries in the world and we expect to strengthen them."

"Nicaragua is a nation that has suffered as have several other Latin American countries and, despite the fact that no one country is like any other, we have common problems: hardships, a faltering economy, and foreign indebtedness, and we have all suffered the consequences of imperialism and colonialism," Martinez stated. In light of these similar circumstances, we must unite to defend ourselves and achieve regional integration," Martinez concluded.

ECONOMY MINISTER ON FOREIGN DEBT NEGOTIATIONS

PY112351 Buenos Aires TELAM in Spanish 2217 GMT 11 Jan 85

[Text] Buenos Aires, 11 Jan (TELAM) -- Economy Minister Bernardo Grinspun today stated just before leaving for Europe that the Malvinas conflict will not be a negative influence on the foreign debt negotiations because the negotiations are a financial problem and up to the present time we have had no financial problems in regard to the Malvinas. The economy minister will meet in France with government officials as well as authorities of the Paris Club to evaluate the alternatives of the foreign debt renegotiations. Just before departing, he said that there will be no major difficulties regarding the negotiations.

When asked about the socioeconomic contract talks, Grinspun stated that the labor and business representatives expressed their approval of the document that was submitted by the president. They also expressed their approval of the atmosphere that reigned during the meeting, thus demonstrating their desire to continue the contract talks. He stressed that the government response to the socioeconomic accord will be announced as soon as the president returns from his trip to India and after he has met with the advisory board.

Regarding the influence that the Malvinas conflict could have on the negotiations that will start on 13 January, Grinspun rejected any idea that there could be any type of problem, because it is a financial problem and up to the present time we have no indication that there will be any trouble of that nature.

At the same time, the minister refuted the criticism of Intransigent leader Oscar Alende, who has urged President Raul Alfonsin to break with the IMF, indicating that Alende has experience in the matter because when he was governor of Buenos Aires Province, the Arturo Frondizi government, of which he was a member, signed three or four agreements with the IMF; it would be a simple matter for him to reread them and compare them with the agreeemtn we have signed.

"If we broke with the IMF", the minister continued, "we could make no progress in an agreement with the Paris Club, because the IMF agreement is a prior step to one with the Paris Club and we would thus find ourselves financially isolated."

When asked about the indications from some sectors that they believe the minister is too optimistic, Grinspun indicated that I respond to what I believe is the objective reality of the country. I believe those sectors are too pessimistic.

LEGISLATORS CLAIM LARGE OIL RESERVES IN FALKLANDS

PY112140 Buenos Aires DYN in Spanish 2028 GMT 11 Jan 85

[Text] Buenos Aires, 11 Jan (DYN) -- The Italo parliamentary commission today revealed that the petroleum reserves in the Malvinas Islands area "account for 23 percent of world hydrocarbons reserves," according to a report filed in a binder that the members of the Italo parliamentary commission claim to have seized from the office of the attorney of (?former) Economic Programming and Coordination Secretary Guillermo Walter Klein. Legislators Guillermo Tello Rosas and Julio Cesar Araoz said that the binder, which was delivered to Federal Judge Amelia Berraz de Vidal, refers to "secret talks" held in 1978 between officials of the last military regime and the British Government for the joint exploitation of those reserves through a project of "shared sovereignty" in the Atlantic Ocean.

Energy Commission Issues Statement

PY120216 Buenos Aires Domestic Service in Spanish 2300 GMT 11 Jan 85

[From Congressional Report Program, relayed from Congress in Buenos Aires by an unidentified correspondent]

[Text] The Energy and Fuels Commission of the Chamber of Deputies today released a statement on the issue related to the exploration permits being granted in the Malvinas Islands. The statement concretely refers to the announcement that the British Government has granted a concession to a U.S. company to prospect for oil. The fact that this is the second time in 10 years that Great Britain has done this is emphasized, since in 1975 Great Britain announced the beginning of an exploration effort, which in the end did not take place, that prompted a strong response from the Argentine Government through then Foreign Minister Alberto Vignes. In addition, one of the points of the statement emphasized the stance that the British Government has continuously adopted throughout the negotiations on economic cooperation in disregarding the archipelago's sovereignty, a stance completely contrary to the one advocated by our country. The statement adds that it also seems reasonable to suppose that the United States has carried out prospecting studies using special technology, for which reason it is (?now) willing to assume the risks of exploration. In conclusion, the Chamber of Deputies Energy Commission advises that Argentina reject any authorization granted by the British Government on the Malvinas Islands archipelago and its adjacent areas in agreement with Foreign Minister Caputo's attitude and proposes the (?denunciation) of the British actions in world forums.

STATE SUPPLIERS REQUEST MEETING WITH ALFONSIN

PY111700 Buenos Aires BUENOS AIRES HERALD in English 11 Jan 85 p 7

[Text] (NA) -- The State Suppliers Union (UAPE) has requested a "very urgent" meeting with President Raul Alfonsin to discuss the 400 million dollars owed by the state to suppliers, UAPE Chairman Daniel Arguillo said yesterday. In a letter sent to Alfonsin, UAPE said talks with Finance Secretary Norberto Bertaina "have led nowhere" and warned that if the issues remains unresolved "the state will run out of supplies due the impossibility of firms putting up with these debts."

BOLIVIA TO RECEIVE PAYMENT ON GAS IMPORT DEBT

PY131905 Buenos Aires BUENOS AIRES HERALD in English 13 Jan 85 p 1

[Text] (NA) -- Argentina will pay Bolivia over 72 million dollars during the first quarter of 1985 as part of a 202.4-million-dollar debt for the importation of natural gas from the northern neighbour, the director of finances at the State Gas Company said yesterday.

Jorge Rossi said 25.2 million dollars would be paid this month, 23 million in February and 24 million in March. Argentina signed a 1976 agreement with Bolivia whereby the former contracted to buy 1.37 million cubic metres of gas daily until March 30 1992. Rossi admitted that the purchase of Bolivian gas "is political more than out of need." He added that although the Argentine Government has committed itself to buy 30 million dollars worth of gas monthly, "the Argentine credits made to Bolivia for some 600 million dollars make the debt less significant" in terms of how much will actually have to be paid for the fuel.

PRC BUYS 400,000 TONS OF WHEAT FROM EXPORTERS

PY122002 Buenos Aires LA NACION in Spanish 12 Jan 85 p 3-3

[Excerpt] The PRC has purchased 400,000 tons of what from various private Argentine exporters. According to sources linked to the Argentine grain market, the sale is the result of diplomatic talks held during the last months of 1984 in New York. The president of the National Grain Board, Alberto Ferrari Etcheverry, who was a member of a delegation headed by Economy Minister Bernardo Grinspun, held meetings with a PRC mission in the United States to explain to the PRC representatives "the benefits of the price and quality of the grain." Other Argentine sectors have said the purchase was "unexpected and surprising," owing to the volume of the sale.

CHILEAN REFUGEES REPORT CNI HARASSMENT

PY111345 Madrid EFE in Spanish 1207 GMT 11 Jan 85

[Text] Buenos Aires, 11 Jan (EFE) -- Chilean political refugees living in Argentina today announced that they had been victims of attacks carried out by agents of General Pinochet's regime, and they requested the Argentine Government to grant them the greatest protection available. In a communique endorsed by the Argentine Workers Front for Human Rights, the Chilean refugees said that Chilean citizen Basilio Rocha was attacked in the hotel room where he lives by agents of the Chilean National Intelligence Center (CNI) at dawn, 3 January. The Chilean refugees in Argentina likewise reported that another Chilean (whose name was not given) was the object of an attempted kidnapping on 4 January. Considering this state of affairs, the Chilean exiles requested labor unions, political parties, student organizations, and people in general to repudiate the active presence in Argentina of repressive agents from Pinochet's dictatorship.

FOREIGN MINISTRY OFFICIAL ON TALKS WITH BOLIVIA

PY111245 Madrid EFE in Spanish 0216 GMT 11 Jan 85

[Excerpt] Santiago, Chile, 10 Jan (EFE) -- Marcelo Padilla, the Chilean Foreign Ministry spokesman, said here today that the talks that Chile and Bolivia will hold in Bogota in February are bilateral and preliminary talks and that they are not negotiations. Padilla's statement was in reply to one issued by Bolivian Foreign Minister Gustavo Fernandez who said that Chile and Bolivia will hold multilateral negotiations that among other things, will try to seek a solution to the Bolivian sea outlet problem.

Padilla said that the Chilean Government believes that the meeting in Bogota is of a bilateral nature and that the Colombian president is merely acting as a host. He noted that at the February meeting, Bolivia and Chile will discuss future procedures to be followed, but that it is not a meeting of a negotiating nature. He also noted that the Chilean Foreign Ministry trusts that the newly-appointed Bolivian foreign minister, Edgar Camacho Omiste, will handle this affair with the prudence and caution that the situation demands.

FINANCE MINISTER VIEWS 1985 WITH OPTIMISM

PY111115 Santiago Radio Chilena in Spanish 2330 GMT 10 Jan 85

[Text] Finance Minister Luis Escobar Cerda referred to reports of a new devaluation as nonsense. He also stated that the readjustments in the return of the value added tax [IVA] are due, among other things, to tax frauds. Journalist Carlos Humberto Silva, who is already with us, will now report on this issue. Good afternoon, Carlos Humberto Silva.

[Begin Silva report] Good afternoon, Manuel Francisco Otpiel. Without a doubt, Finance Minister Luis Escobar Cerda is the most optimistic person in Chile and his optimism is based on the latest economic indicators. Here are some concrete examples. The balance of payments is under control and the indicators furnished by the Central Bank will demonstrate that the results are, quote, simply superb, unquote. Given this picture, someone may be led to believe that we are in paradise, but Minister Escobar also has no compulsion about criticizing the business sectors. In this regard, the Industrial Development Association business leaders have bitterly criticized the government because it decided to readjust IVA returns, something which the businessmen disliked. Escobar accepts the criticism, but feels that it is hard to change the law.

[Begin Excobar recording] Yes, yes, I understand all that and that is what we are going to study. Now, what are the technical justifications to grant allowances, allowances that are in fact included in the law? But as I have already said, this caused several control problems. Truly, I (?hate) to use this word but there were even fraud cases, cases that were proven. Therefore, at this time I do not have all the information on hand. This information is being studied by the technical agencies and we will report on this in due time. At this time, I would not like to comment on this because I would not like to give the impression that we will change a law that has just been enacted. I am not at all sure that we will be able to change it. Therefore... [end recording -- in progress]

Escobar felt that the bank's intervention will be lifted in April or May and that the bank shares will then be sold on the open market.

[Begin Escobar recording -- broadcast in progress] I think that it will be on such a date. I think that it is perfectly sound because for that date... [rephrases] What happens is that once the law on bank intervention is published, meetings of the shareholders of the intervened banks would then take place to decide on capital increases. The tank intervention is then lifted. These banks would then be able to sell their financial portfolio to the Central Bank, something which they are unable to do now precisely owing to the fact that they are intervened. Therefore, I believe that in May the shares will be offered to the public...[end recording -- in progress]

Afterward, Luis Escobar called upon the private businessmen, who criticize everything, to grant a salary readjustment to those workers who are not under collective bargaining.

[Begin Escobar recording] We expect that the private sector does not take this as an order, so to say, and offers a system of readjustments for those workers who are not under collective bargaining, a readjustment that is as favorable, let us say, as the one that the public sector has granted, in which an attempt is made to meet the application of essential principles, the principle of favoring the low-income sectors to a greater extent. [end recording]

But where the minister shows himself as an utter optimist is when he states that we are in a good position in several economic aspects.

[Begin Escobar recording -- broadcast in progress] The balance of payments is perfectly under control. The Central Bank will surely release over the next few days the reports up to December 1984, reports which we anticipate to be absolutely superb. And I believe that when we have the figures on unemployment through December [words indistinct] they will also be much better than we expected. Therefore, I do not see major problems. I have always said that 1985 will be a year very similar to 1984. This means that we will do a good job and that we will...[end recording -- in progress]

These are the minister's opinions. This is the man who handles the money in Chile, and he is utterly optimistic. However, he did not say a word when he was told about a specialized report by a U.S. company stating that Chile and Peru are the Latin American countries that pose the highest risk for investments. These are just opinions, Escobar simply said. Good afternoon. [end report]

MIR BROADCASTS MESSAGE OVER RADIO COOPERATIVA

PY112107 Buenos Aires TELAM in Spanish 1547 GMT 11 Jan 85

[Text] Santiago, Chile, 11 Jan (TELAM) -- This morning during a Radio Cooperativa newscast in Santiago, opponents of President Augusto Pinochet's government took over that radio's frequency and aired a subversive message against the military regime. The message went on for 5 minutes, which was how long it took the radio's technical staff to gain control of the situation and cut off the electric power at the broadcasting station, located on the outskirts of Santiago. Government officials have stated that the message was aired by the outlawed Movement of the Revolutionary Left (MIR) and that Radio Cooperativa belongs to persons who are linked to the opposition Christian Democratic Party.

BRIEFS

CONSUMER PRICE INDEX RISES -- The National Statistics Institue has reported that the rise in the consumer price index during 1984 was 23 percent. The institute also reported that the rise in the consumer price index during December 1984 was 1.4 percent in relation to the previous month. [Excerpt] [Santiago Domestic Service in Spanish 2200 GMT 4 Jan 85 PY]

BELIZE

FOREIGN MINISTER EXPLAINS 'PRO-WEST' POLICY

FL112050 Bridgetown CANA in English 2025 GMT 11 Jan 85

[By Norris Hall]

[Text] Belize City, Belize, Jan 11, CANA -- Belize's Foreign Minister Dean Barrow says his new government's foreign policy is firmly pro-West and it is not the administration to have a completely balanced foreign policy. [as received] Barrow's remarks came during a press conference when he was asked to explain this country's relations with leftist Nicaragua and the sending of a low key one-man delegation to yesterday's inauguration ceremonies of Nicaraguan President Daniel Ortega. Ambassador to the United Nations, Robert Leslie, represented Belize.

Barrow said the United Democratic Party government of Prime Minister Manuel Esquivel, which took power on December 14, does not subscribe to the middle of the road foreign policy of the previous administration of George Price's People's United Party. But, Barrow added, the new policy did not mean that his government wanted to completely abandon its links with the Non-Aligned Movement of which Belize became a member shortly after attaining independence from Britain in September 1981. Barrow said he felt it was not the appropriate time to send a high-level delegation to visit Nicaragua in view of domestic political considerations. He spoke of a local perception that Belize ought not to have any kind of relations if Nicaragua has a political system different from its own.

Barrow said that Belize's responsibility in foreign affairs is for the protection of its sovereignty and territorial integrity. He said that Guatemala, which claimed the territory, would dearly love to crack the kind of international solidarity that Belize has been able to muster. Barrow said Belize must resist any sort of effort on the part of Guatemala to crack this support, and the country must maintain contact with countries at either end of the ideological spectrum. He told reporters that Nicaragua is a case in point and that while we are conscious of the domestic political consideration, this government is not of the view that relations with Nicaragua is a terrible thing. One of the charges against the previous government was that it was going communist -- a charge which was made by the United Democratic Party against the Price administration because of its friendship with Nicaragua and Cuba as a result of their support for Belize in its dispute with Guatemala. Barrow said that if the government did not send a representative to Managua, in the person of a civil servant at least, it would have been a snub to Nicaragua.

During the press conference, Prime Minister Esquivel announced that his government was recalling its ambassadors to the United Nations and the United States to assume local duties. UN Ambassador Robert Leslie will be permanent secretary in the Ministry of Foreign Affairs and U.S. Ambassador Edney Cain will take up an appointment as finance secretary. Cain, a former governor of the Central Bank of Belize, will be replacing Edmund Marshalleck who is also an alternate governor of the Caribbean Development Bank. Marshalleck is being retired by the government on medical grounds.

COSTA RICA

GUTIERREZ SETS CONDITION FOR ATTENDING FEB MEETING

PA111729 San Jose Radio Reloj in Spanish 1200 GMT 11 Jan 85

[Text] Costa Rica will not attend the meeting called by the Contadora Group until the case of Nicaraguan refugee Jose Manuel Urbina Lara is favorably resolved, Costa Rican Foreign Minister Carlos Jose Gutierrez declared.

The decision, jointly adopted with the president of the Republic, Luis Alberto Monge, was announced to the Contadora Group foreign ministers, who met in Panama City during the past 2 days. In view of the decision, Costa Rica will not attend the foreign ministers meeting called by the Contadora Group for 14 and 15 February in Panama if the case of the Nicaraguan refugee is not favorably resolved by then, Gutierrez noted.

Gutierrez explained that the decision does not mean that Costa Rica has reduced its support or interest in the group's efforts that are under way in the region. He reiterated that as long as the case of the Nicaraguan exile is not favorably resolved, Costa Rica will maintain this position. He added that the conflicts with Nicaragua cannot be isolated from the general Central American situation in which the Contadora Group is working. Gutierrez said that the foreign ministers of the Contadora Group have offered to make efforts before the Managua regime to find a solution to the conflict between the two countries.

ATTEMPTED ATTACK ON STATION CARRYING VOA PROGRAMS

PA121554 San Jose Radio Reloj in Spanish 1200 GMT 11 Jan 85

[Text] Late Saturday night, several unidentified men tried to carry out a terrorist attack against the Voice of America [VOA] installations in Ciudad Quezada. The attackers traveled in two vehicles.

According to information received from Ciudad Quezda, the members of the alleged terrorist commando group behaved mysteriously, prompting a group of citizens to alert the Rural Guard about their presence. The terrorists opened fire on the Rural Guardsmen in San Carlos when the latter, who had been warned about the terrorists' presence, arrived at the radio station's installations. Fortunately, there were no casualties in the shootout; the assailants fled in the direction of San Jose.

This is was the first act of sabotage against the radio station, which is primarily sponsored by the VOA and will operate under the name Radio Costa Rica. The station was installed to counter the strong Sandinist propaganda launched throughout the northern sector of the country by powerful Nicaraguan radio stations. Officials at Radio Costa Rica, or the Voice of America, announced that the station will begin operating officially on 15 January. There has been fear that the station's political nature could lead to such terrorist actions by pro-Sandinist elements.

Reports from Ciudad Quezada reveal that following the frustrated terrorist attack on the station's installations, the authorities have set up a protection operation with fully armed security officers posted at the installations to avoid further unpleasant surprises. It was also revealed that there are reports on the attackers' identities, which may bring a prompt solution to the case.

EL SALVADOR

BISHOPS GET POLICE PROTECTION AFTER DEATH THREATS

PA111608 Buenos Aires LATIN in Spanish 0852 GMT 11 Jan 85

[Text] San Salvador, 11 Jan (REUTER) -- San Salvador's primate and auxiliary archbishop have been placed under police protection as a result of death threats from members of right-wing groups who oppose the bishops' efforts to mediate between the U.S.-supported government and leftist guerrillas, church and police sources reported last night.

Carlos Lopez Nuila, El Salvador's deputy public security minister, told REUTER that Archbishop A turo Rivera y Damas and Auxiliary Bishop Gregorio Rosas Chavez have been under the protection of the National Police and special intelligence services since mid-December. Several uniformed policemen equipped with automatic weapons are posted in front of the archbishop's offices. However, it was not possible to interview either of the churchmen. Lopez Nuila said that information on the threats was received from abroad and added that the decision to place them under protection was made on 17 December, after a right-wing group ran a paid advertisement in the local press that sharply criticized Msgr Rivera y Damas. The advertisement, signed by four wealthy Salvadorans who called themselves the "Catholic Traditional Movement," was addressed to the archbishop, whom it accused of promoting "progressive Catholic communism."

"You and Mr (President Jose Napoleon) Duarte are responsible for pushing the country into a sterile dialogue and negotiation with subversion... It is unacceptable and criminally dangerous that a small group of deluded churchmen drag our country toward a humiliating surrender of its values... The time has come to put an end to this inconceivable relationship with terrorist subversion before you become its most valuable victim. The memory of your predecessor should suffice," the advertisement stated.

The message alluded to Rivera y Damas' role as mediator in the two rounds of talks between the Duarte government and FMLN guerrillas and to the 1980 assassination of Salvadoran Archbishop Oscar Arnulfo Romero at the hands of right-wing armed men. A church source reported that the advertisement greatly disturbed Rivera y Damas and added that although Rivera y Damas had received death threats before, this one prompted him to accept police protection.

Since the advertisement appeared in the press Rivera y Damas and Rosas Chavez have continued to demand more humane treatment from the two parties that have been in conflict during the 5 years of civil war and a political solution to the conflict.

Rivera y Damas Guarded by 10 Men

PA121417 San Salvador Radio Cadena YSU in Spanish 1800 GMT 11 Jan 85

[By Osiris Ramirez]

[Excerpt] Here is the latest report from our press department:

A plot to kill San Salvador Archbishop Msgr Arturo Rivera y Damas has been reported. This has made it necessary to protect him with 10 men. Msgr Rivera y Damas himself confirmed that he has been threatened with death and that he accepted military protection. He also stated that the threats originated from a death squad. Official information, however, has not been released on this plot to kill him. A source close to the church stated that at first Msgr Rivera y Damas and the church hierarchy objected to official protection, but later accepted it.

POPE OFFERS TO ACT AS MEDIATOR IN CONFLICT

PA140307 San Salvador Radio Cadena YSKL in Spanish 0025 GMT 14 Jan 85

[Excerpt] The Catholic Church today announced that Pope John Paul II has offered to act as a mediator in the Salvadoran and Central American conflict. Standing in for Msgr Arturo Rivera y Damas, Father (Jesus Delgado) today gave the homily before some 1,000 faithful. Father (Delgado) also said that 118 persons had died during the week that just ended, 80 of whom were alleged guerrillas, 32 whose deaths were reported by the Salvadoran Army, and the others deaths were attributed to guerrilla executions and murders committed by the so-called death squads.

GUATEMALA

DELEGATION TO ATTEND FEB CONTADORA MEETING

PA130235 Guatemala City EL GRAFICO in Spanish 11 Jan 85 p 26

[Text] The Guatemalan Foreign Ministry has been invited by the Contadora Group to a technical meeting to be held in Panama City, Deputy Foreign Minister Mario Marroquin Najera has reported. He said that the meeting will be held on 14 and 15 February to polish and improve the peace document. The idea is for the region's foreign ministers to approve the document. The official also said that Guatemala will attend this meeting with the technicians who have attended former negotiating sessions.

The document to be discussed at the technical meeting will be the one containing the amendments suggested by the Costa Rican, Honduran, and Salvadoran Governments. These three countries introduced some remarks to the Contadora proposal which the Guatemalan Government did not approve.

HONDURAS

PAZ BARNICA, COLOMBIA'S RAMIREZ ON CONTADORA

PA130120 Tegucigalpa Domestic Service in Spanish 1130 GMT 12 Jan 85

[Excerpt] President Roberto Suazo Cordova yesterday received in his home in La Paz Colombian Foreign Minister Augusto Ramirez Ocampo. The Colombian foreign minister paid President Suazo Cordova and other Honduran authorities a courtesy visit to exchange views on the regional peace process. Foreign Minister Ramirez Ocampo termed the meeting with President Suazo Cordova as very positive. Regarding this important meeting, Foreign Secretary Edgardo Paz Barnica made the following statement:

[Begin recording] Colombia is an example of democracy in Latin America and the world. President Belisario Betancur is trying to consolidate democratic institutions. He has emerged as a real leader at the continental level, as an extraordinary statesman and a true leader of the people. The Honduran Government and people have great respect for him, as well as for Colombian Foreign Minister Ramirez Ocampo. Colombia, President Betancur, and the foreign ministers, including Foreign Minister Ramirez Ocampo, have been and still are strong promoters of the magnificent and worthy peace efforts of the Contadora Group to resolve the Central American crisis. The Honduran Government firmly supports the Contadora Group's efforts, as President Suazo Cordova has reiterated today.

Foreign Minister Ramirez Ocampo's visit is a source of great satisfaction to us. Our country and government are deeply honored by the presence of Foreign Minister Ramirez Ocampo and the members of his retinue in our country. I take this occasion to present Foreign Minister Augusto Ramirez Ocampo. [end recording]

In his statements, Ramirez Ocampo stressed Honduras' contribution to the pacification process launched by the Contadora Group.

[Begin recording] [Ramirez Ocampo] Honduras has participated in this process with significant contributions. Officials at the Honduran Foreign Secretariat have put their intelligence and experience at the service of the peace process, led by Foreign Secretary Paz Barnica. Throughout the process, they have constantly contributed their good ideas and legal expertise. After we submitted the peace and cooperation plan on 7 September, the Honduran authorities analyzed the document and made their observations. The foreign ministers of four Central American countries met here, near Tegucigalpa, to reach a consensus and to inform us, through a paper that was certainly very useful because it managed to unify the views of three of the five Central American countries, of their views. We have been analyzing these observations. We have tried to see how they can fit into the context of the overall plan. We have discussed them with the presidents and foreign ministers of the Central American countries to try to reach a consensus. It is obvious that to have peace, we need not just goodwill, but for the five Central Americans to reach specific agreements.

We have invited the five Central American countries to a meeting on 14 and 15 February in Panama City at the plenipotentiary level in order to continue in the search for an agreement. We have been discussing an issue that is very important regarding supervision and control; in other words, the commission in charge of seeing that the plan is not merely words on paper but a true legal instrument that compels the parties to comply with its terms.

[Reporter] Do you think the Honduran Government has made positive contributions to pacification of the region? Another question: 2 years after the creation of the Contadora Group, there is still no negotiated solution to the Central American conflict. What do you think has been the major obstacle so far?

[Ramirez Ocampo] Honduras has made some positive contribution to the negotiating process of the Contadora peace plan. I have already said how the Honduran Foreign Secretariat's counsellors, led by Foreign Secretary Paz Barnica, have submitted observations worth considering. The negotiation process has had the support of the majority that is interested in advancing in a responsible manner, slowly but surely. You asked me a very difficult question about the main obstacle in the negotiating process. This question cannot be answered simply, because there is a series of important factors. Perhaps the main obstacle has been the distrust that still exists among the various countries. I also believe that one of the facts that could make an agreement possible would be a situation of detente guaranteed and supported by the countries, convinced that they cannot intervene in their neighbors' affairs. They should definitely respect the principles of self-determination and nonintervention in the internal affairs of other countries. When we fully accept this as how it should be, that is when we will have peaceful solutions. [end recording]

D'ESCOTO LETTER PROMPTS PROBE INTO CONTRA PRESENCE

PA111358 San Pedro Sula TIEMPO in Spanish 10 Jan 85 p 3

[Excerpt] Tegucigalpa -- Yesterday, the government reportedly order an investigation into the presence of a group of counterrevolutionaries in El Paraiso and Olancho on the border with Nicaragua. This information was obtained from Honduran Foreign Secretary Edgardo Paz Barnica. Paz Barnica admitted that he had received a letter from his Nicaraguan counterpart, Father Miguel D'Escoto, supplying him with specific locations where the contras are supposedly camped. "I received the letter and we are sending it to the pertinent officials to conduct an investigation," Paz Barnica said.

He added that the Honduran authorities "look into these types of requests and we will verify the report to see whether it is true."

In addition to admitting that he had received the report from his Nicaraguan counterpart, Paz Barnica disclosed that Honduran officials "have also sent letters to Nicaragua telling them about centers for hundreds of Hondurans who are undergoing training there and intend to return and subvert the country's order."

Asked what the government will do if the Nicaraguan report proves to be true, Paz Barnica said that the necessary legal measures will be taken against all those who violate the law.

CONTINGENT CREDIT WITH IMF NOT TO BE SIGNED

PA111440 San Pedro Sula TIEMPO in Spanish 10 Jan 85 p 2

[Text] Honduran authorities have been negotiating an agreement with the IMF since 31 December 1983, when the previous one expired.

A high-ranking government official asserted yesterday: "We will not sign any contingent credit with the IMF this year."

According to this source, if the agreement is signed, this would occur by mid-1986. The source added that not signing the agreement will not bar the disbursement of loans to Honduras by international banks and financial institutions.

If the agreement with the IMF is signed, this would constitute a guarantee of credit for undeveloped countries in the international banking system and Honduras would have access to $50 million in loans, it was reported.

Central Bank President Gonzalo Carias Pineda asserted: "In the case of Honduras," a contingency accord with the IMF need not be signed to have access to loans by international banks.

Carias Pineda said: "This is the case with Honduras because we have been paying the IMF the refinancing negotiated by former governments in 1979."

The official announced: "We must pay the IMF $10 million this year." Carias Pineda also announced that the talks with the IMF on the signing of the agreement will be resumed at the end of this year.

NICARAGUA

LEADERS ATTEND INAUGURATION OF SUGAR MILL

Fire at Complex

PA111948 San Jose Radio Impacto in Spanish 1830 GMT 11 Jan 85

[Text] A large fire broke out yesterday in the vicinity of the Victoria de Julio sugar mill complex in Nicaragua which is scheduled to be officially dedicated this afternoon by Fidel Castro and Daniel Ortega. Reports indicate that flames were visible from Managua in areas close to the sugar mill installations.

The Victoria de Julio Sugar Mill complex was formely known as (Tima) and is located 24 km from the Nicaraguan capital. The cause of the fire, which seriously jeopardized the sugar complex, is not immediately known but the possibility that the fire may have resulted from the activities of insurgent groups has not been ruled out.

Seregni Reads Managua Declaration

PA121840 Managua Domestic Service in Spanish 2216 GMT 11 Jan 85

[Speech by Liber Seregni, leader of the Uruguayan Broad Front, at the inauguration of the Victoria de Julio sugar mill in Nicargua -- live]

[Text] Companero President of Nicaragua Commander Daniel Ortega Saavedra: At this meeting, I have the honor of reading what we have called the Managua Declaration and of delivering it to you. This declaration is the result of the concern of political leaders, members of parliaments, and important people, who are present at this historic moment for the Nicaraguan people and the Sandinist revolution, over the problem of peace on this part of the continent and over the sufferings of the Nicaraguan people because of the attacks they must endure. This declaration is also the result and expression of a firm decision for solidarity with the Nicaraguan people and their efforts. It is an expression of the principles of the people's right to self-determination and nonintervention, principles that demand that all Latin American peoples and all world leaders express their absolute solidarity with this brotherly Nicaraguan people. I am also proud, as an Uruguayan, to present this document since it was born out of the concern of the three Uruguayan political parties that came to this event, parties that represent all of the Uruguayan people. It was created at a moment when my country is ending 11 years of dictatorship, a long night, and is assuming the task of building a good future with liberty and democracy with energy, faith, and trust. [applause]

The Managua Declaration

The undersigned political leaders, members of parliaments, and other leaders have met on the occasion of the inauguration of Nicaraguan President Daniel Ortega Saavedra. In discussing and exchanging views on the situation in Nicaragua and Central America, we have decided to make the following declaration:

1. We have noted with concern the continued serious deterioration in the situation in Central American despite the various efforts at political negotiation to safeguard peace. Undoubtedly, the difficult economic situation and the search for violent solutions represent a great danger to these countries that are now enduring a regional crisis with unforeseen consequences for Latin America and international peace.

2. We have witnessed the suffering of the Nicaraguan people who in the past few years have been the victims of destabilization efforts and of a violence that has already resulted in the death of thousands of citizens and has severly damaged Nicargua's economy with the loss of hundreds of millions of dollars, a situation that has seriously worsened the standard of living of the Nicaraguan people. We express our solidarity with the Nicaraguan people in their efforts to safeguard their national sovereignty and independence and we urge the international community to respect their right to self-determination and, especially, to increase efforts toward economic cooperation with Nicaragua.

3. We acknowledge the Contadora Group's positive and constructive efforts that have been made during 2 years of negotiations. We believe that the Contadora Group is still a viable alternative in the search for peace as well as representative of an effort unprecedented in the history of Latin America. For this reason, we ask that the necessary effort be directed toward reaching an effective agreement based on the Contadora Group's Document for Peace and Cooperation in Central America issued on 7 September 1984 and those to be issued in the future.

4. To contribute to the search for a peaceful solution in the region being carried out through the Contadora Group's efforts, through the talks taking place in Manzanillo, and through the talks initiated in La Palma, El Salvador, we make an appeal for Central America to be left out of the confrontation between the superpowers. We share the firm belief that the installation of the new Nicaraguan Government will create the right conditions for the national dialogue process and for bilateral negotiations to continue between the United States and Nicaragua that will lead to the normalization of relations between the two countries. As a gesture aimed at giving peace a chance, we call on the world public, and especially the U.S. Congress, to make every effort to resolve the conflict according to the Contadora Group's peace plan, the true representative of the best interests and hopes of Central America.

We ask the superpowers to strongly support the Contadora Group in achieving a peace agreement that will encourage respectful regional coexistence, economic and social development, and the establishment of democratic and pluralistic institutions.

This was issued in Managua on 10 January 1985, and signed by more than 60 important political leaders, members of parliaments, and intellectuals who were present at this historic event. [applause]

Wheelock Praises Cuban Aid

PA122116 Managua Domestic Service in Spanish 2226 GMT 11 Jan 85

[Speech by Jaime Wheelock, minister of Agricultural Development and Agrarian Reform, at the inauguration of the Victoria de Julio sugar mill in Nicaragua -- live]

[Excerpts] Companero and brother of the national leadership Daniel Ortega Saavedra, president of the Republic, companeros of the FSLN; Companero Sergio Ramirez, vice president of Nicaragua; Companero Fidel Castro, president of the sister Republic of Cuba; distinguished visitors; companeros:

This project of the revolution is completed today, and it is a source of great satisfaction to us to come to inaugurate it at a time when our country is suffering from aggression and the effects of an extended economic crisis. This sugar mill was built by the Nicaraguan people, with the support of the Cuban people, because a few months after the triumph of the revolution we set the goal for our development strategy in the search for means to expand agricultural production and thus increase production of food and export goods.

We had to alter unjust structures to seek material progress and at the same time economic independence within the framework of the revolution. As the center of that concept of development we chose the industrialization of natural resources, particularly the industrialization of agricultural and livestock resources.

We sought in all production areas a way to fulfill this dual task, and after various analyses we found that the best conditions to do this were offered by the sugar production sector. In the first place, this industry had long been a source of support for the growth of production, employing nearly 34 percent of the labor force in the manufacturing sector of Nicaragua. In addition, it offered stable employment which has helped settle and organize a good portion of the Nicaraguan Pacific sector. Sugar production also provided an important boost to the GNP. This branch of agriculture and livestock also offered a number of advantages. For instance, expansion in the area contrasted with the expansion required to produce basic grains, since the expansion of the sugar industry meant using poor soil, extensively used for cattle raising, or soil largely untilled, such as that found in the sector from Tipitapa to Malacatoya.

Furthermore, with a relatively small population, the sugar industry offers excellent conditions for mechanization, that is, working with a totally mechanized scheme, which is not the case with coffee production.

The estimates of domestic sugar consumption demand showed that by the end of the 1980's Nicaragua would no longer be a sugar-exporting country, as it would consume its entire production domestically. Therefore, for historic reasons and the new ones provided by the revolution, it was deemed advisable to invest in the sugar industry.

We had two alternatives. We could invest to improve the old mills. This idea was quickly discarded because most of the traditional mills in Nicaragua were in very poor condition and were part of an obsolete and inefficient agro-industrial scheme, which would have meant a substantial loss to the nation. So we decided to make a new investment and build a new sugar mill. We did this at a time when international sugar prices were quite unstable, sometimes low for extended periods, with very brief rising fluctuations. So we had to prepare the sugar industry to produce at the lowest possible cost. This was one of the elements we introduced in planning this mill, so that in the future Nicaragua can export sugar at the lowest possible cost.

We must also point out that the national sugar industry is a big consumer of fuel, which Nicaragua has to import at high prices, and the distances to transport the product were excessively long, sometimes 100 kw away from industrial plants. This is where Cuba played a role, because the Cuban participation was decisive. We had decided to expand the sugar industry, but without the Cuban support, this would have been most difficult to achieve. Cuba's experience in the sugar industry is extraordinary, and this experience was placed at our disposal. From the beginning of our revolution, Cuba was in a position to build a sugar mill here and capable of producting in Cuba 75 percent of the equipment required for such a project. The important aspect is that we had the support of the Cuban revolution and the enthusiastic encouragement of its leader, the president of Cuba and our friend, Fidel Castro Ruz [applause], who offered his support from the start, along with other Cuban companeros who also offered us their total support, such as Carlos Rafael Rodriguez and the minister of the Cuban sugar industry, Companero Diocles Terralba.

The production cost of this mill amounted to nearly $220 million. However, we must point out that this financing was made on soft terms, with a most favorable investment structure. The principal credits include, of course, that of Cuba for the construction of the plant for $48 million. Complementary financing includes $5 million in currency and 2.27 billion cordobas. The rest involved specific credits granted by various countries for this project, such as Sweden, with an $8-million credit for the purchase of the turbo-generating systems, and Austria, with $4.5 million. In the third place, we made use of credit lines from the GDR, Brazil, Mexico, and others. The Central American Bank of Economic Integration and the IDB gave credits of $500,000 each.

With all this, we were able to satisfy investment in the mill with a minimum use of currency. Of course, the construction effort was great. Only a few months after the victory of the revolution we began studies on the project. After having actually started to work on the first phase of the project on 2 January 1982, we are inaugurating the sugar mill 3 years later. In view of the situation in the country, this is really remarkable. [applause] There is no doubt that this is the largest industrial plant in Nicaragua, in the sugar industry, and the entire manufacturing industry. It is one of the five largest plants in Central America.

We want to refer now to the contribution of the Cuban revolution. We can start by saying that it would have been impossible to build this mill without the support of Cuba and without the political will of the Cuba people, from President Fidel Castro to the workers of the 5 September central of Cienfuegos, who on their own initiative decided to sponsor this project. [applause]

The minister of the sugar industry, Diocles Torralba, headed a top-level staff which was a great support in the construction of the installation. Cuban First Vice Minister of the Sugar Industry Raul Trujillo, from August 1981 to December 1984, carried out 26 high-level missions in Nicaragua. [applause] In fact, Cuba decided to send one of the vice ministers of the sugar industry, Companero Jose Milian, to remain in Nicaragua until the completion of the project, which has constituted a most positive contribution to the completion of the project today. [applause]

It is really difficult to evaluate the Cuban support. However, we must point to some significant factors. The feasibility studies and the design of the project were made by Cubans. Scores of Cuban sugar industry experts participated in the designs of the installations, from the Sugar Industry Ministry, from the Institute of Hydroeconomy, from the applied research entity of the Cuban Construction Ministry, while officials from the Seismology Department of the Cuban Academy of Sciences made a detailed study of the Nicaraguan subsoil and seismic conditions, which indicated the need to build the mill with solid structures.

In the preparations of the design we had the participation of enterprises Tecnoazucar and Iproyaz. The latter was the main designer of the mill. A total of 9,200 blueprints were drafted and 217 other related papers were prepared, among other things. Cuba contributed 65 percent of the technical supplies. We received 15,000 metric tons of steel from Cuba, and Cuban workers carried out the construction and assembly of 55 percent of the project, while 405 Cuban builders participated in the design, construction, and assembly of the stage that required the biggest effort. These Cuban builders include 46 professionals, 30 technicians, and 359 skilled workers.

In addition, from the beginning they advised us in the areas of agricultural production, irrigation, drainage, machine shops, utilization of machinery, and so on. Cubans have also been cooperating in the design and construction of Las Canoas dam, as well as the first stage of the Magistral channel. Finally, 107 Cuban workers have been working with an equal number of Nicaraguans who are being trained in order to start the sugar mill.

Of course, a fundamental aspect here has been the expression of Cuba's internationalist solidarity. We have also been moved by the Cuban workers' unselfishness and working spirit, as well as that of the companeros who supported the project resolutely. In addition to this moral aspect, we must mention Cuba's technical ability to build works as formidable as this one outside their country. Finally, we want to stress the devoted effort carried out by Cuban workers, who arrived here without their families and stayed a long time. These men worked with us like brothers, completely unselfishly, sometimes suffering the shortages of many things and undergoing many difficulties and hardships. All of them worked far from their homes and fatherland for the benefit of our people and revolution. [applause]

In short, this work, accomplished by many, is a work of the Cuban revolution and Nicaragua with the cooperation of other countries. This is undoubtedly the work of Nicaraguan workers who, with great effort and a spirit of devotion and sacrifice, worked on this sugar mill day and night for 36 months until its successful completion. This mill is a result of Cuban design, technology, and workers, as well as the thought and effort of the Sandinist people's revolution. But most of all, it is the result of the Nicaraguan working class. [applause]

On behalf of the FSLN, we want to note all of these efforts: First of all, the collective effort by the FSLN and its National Directorate which supported as one this work from the beginning. Then we must note the FSLN regional committee in Managua, the zonal committee, and each of the workers who participated in this project.

We also want to note the role played by the Sandinist Central Organization of Workers and its organizational efforts. We want to note the role played by the Sandinist People's Army, which protected the sugar mill throughout the construction period, as well as the role of the Interior Ministry, which ensured the mill's safety. In addition, we must recognize the roles played by the Sandinist People's Army [EPS], the militia organization, and the 19 July Sandinist Youth members who worked on a voluntary basis and helped paint the buildings, plant grass, and so on. They did so enthusiastically. They even helped us put out a fire here yesterday a few hours before the ceremony was to be held. The work executed by the youths, the Interior Ministry, and the EPS had to be stepped up because, now that we have completed this work, we have to guard it as we would our own eyes.

I have received a copy of some words I spoke on 12 January 1982. These are those words: We revolutionaries have assumed the historical task of doing in only 3 years what bourgeois government could not do in 100. [applause]

Companeros from the FSLN National Directorate, Companero President Daniel Ortega, Companero Fidel Castro: Here is the work. [applause]

Ortega Remarks

PA120300 Managua Domestic Service in Spanish 2314 GMT 11 Jan 85

[Speech by President Daniel Ortega Saavedra at the inauguration of the Victoria de Julio sugar mill in Nicaragua -- live]

[Text] Yesterday was a historic moment for the Nicaraguan people. We can also say that it was a historic moment for the people of Latin America, Asia, and Africa; for the people of the world who love, defend, and support the Nicaraguan people. We are here today with a large representation of international delegations to inaugurate this mill. It is the fruit of the Nicaraguan people's struggle, and it is also part of the struggle of the people of the world. Thus, it is not strange that the solidarity of a revolutionary people, like the Cuban people, is expressed in such a specific way by participating in the construction of this works.

On 10 January 1929, a Cuban friend of Nicaragua's, defender of Nicaragua, a Cuban revolutionary member, defender of the workers and, therefore, defender of Sandino's struggle, died in Mexican territory: Julio Antonio Mella. [applause]

Now, during these days of January, rich in Nicaraguan history, another Cuban, who loved the Nicaraguan people; who offered his example in the revolutionary struggle waged to achieve his own people's liberty; who knew how to defend the sovereignty and integrity of the Latin American peoples by defending the sovereignty and integrity of Cuba; who was an example for us, the inexperienced members of the FLSN; who was an inspiration for our daily struggle; who was an example during difficult times; who offered his solidarity to the struggling people of Sandino and Carlos Fonseca; who offered his solidarity to the FSLN; who accompanied us during the struggle against the Somozist and U.S. imperialism; who accompanied us in the victory and has continued to accompany us after the revolutionary victory by offering us the solidarity, fraternity, morale, and guidance of the Cuban people, is today among us. [applause]

We want to pay him a just tribute because if there is a country to which the Nicaraguan people are indebted, it is to the Cuban people, [applause] who have given historic support to the Nicaraguan struggle and who have also offered their blood, as we have done. Dozens of Cubans have died in Nicaragua, victims of imperialist aggression, [applause] Cubans who have come to Nicaragua to bring us education, health care, and other services to our people. They have come to build, help, and cooperate.

However, Cuba's gesture of solidarity with the Nicaraguan people has been violently rejected by the aggressive policy of the United States, which is exerting itself to destroy our revolution.

We feel proud today and, on behalf of the Nicaraguan people, workers, those who are picking coffee and carrying a rifle in the war zones, who are producing and defending the revolution in the rearguard, the humble men in this homeland of Rigoberto Lopez Perez, the FSLN and its National Directorate, the Nicaraguan Government, we wish to comple with the minimum duty of bestowing the Augusto Cesar Sandino Order on our companero, our revolutionary brother, Fidel Castro. [applause]

Decree Bestowing Order on Castro

PA121404 Managua Domestic Service in Spanish 2326 GMT 11 Jan 85

[Decree issued by President Daniel Ortega Saavedra in Managua on 11 January; read by Foreign Minister Miguel D'Escoto -- live]

[Text] The president of the Republic, according to the powers bestowed by Decree No 851 dated 28 October 1981, which creates the Cesar Augusto Sandino Order, states:

Article 1. Commander Fidel Castro Ruz, president of the Councils of State and Ministers of the Republic of Cuba, is one of the top political figures on the Latin America continent, and his thoughts and actions have noticeably influenced the world's revolutionary movement.

Article 2. The Cuban revolution, whose main forger is Commander Fidel Castro Ruz, is one of the most important events that has contributed to defining the contemporary guidelines of the Latin American peoples' struggle for independence, sovereignty, and dignity.

Article 3. Since the first years of our people's struggle for their liberation, the Cuban revolution under Commander Fidel Castro Ruz' guidance gave solid support to the FSLN. This solidarity and internationalist support has been maintained throughout the Nicaraguan revolutionary process, achieving exemplary relations of cooperation, friendship, and solidarity between Nicaragua and Cuba.

Consequently, the president decrees:

1. The highest grade of the Augusto Cesar Sandino Order, the Battle of San Jacinto, is bestowed on Commander Fidel Castro Ruz, president [applause] of the Councils of State and Ministers of the Republic of Cuba.

2. The decoration will be bestowed on Commander Fidel Castro Ruz during a public ceremony to be held on 11 January 1985. This decree will become effective on the day of its publication in any media in the country, independent of its subsequent publication in the official gazette.

Issued in Managua on 11 January 1985

For peace, united against aggression

[Signed] Daniel Ortega Saavedra

Castro Speech

PA121803 Managua Domestic Service in Spanish 2329 GMT 11 Jan 85

[Speech by Cuban President Fidel Castro at the inauguration of the Victoria de Julio sugar mill in Nicaragua -- live]

[Tect] Dear Companero Daniel Ortega, president of the Republic of Nicaragua; dear companeros of the FSLN National Directorate; distinguished members of the guest delegations; companero Nicaraguan and Cuban workers:

Since the Augusto Cesar Sandino Order was created, the companeros of the Nicaraguan leadership and of the FSLN, probably taking into account the ties of affection and brotherhood that have existed between us throughout the years, have had the idea of conferring the order upon me and have proposed this to me on many occasions. They invited me to Nicaragua for that purpose on many occasions. I considered this such an overwhelming honor that I could not accept it. On several occasions, I asked them to postpone it for the future. I resisted on many occasions until today, when I could no longer resist [applause], and at last they have impressed [impuesto] the honor, in both senses of the word, upon me. [applause]

Imperialism claims that the Central American problems, the revolutionary struggles of these peoples, are the result of an alleged international conspiracy of so-called subversion from abroad. What would the colonialists have said when all the peoples of America became involved in the struggle to win independence until they were successful? What would those who invaded Latin American countries in the past have said? They wrested huge geographical tracts from these countries, as occurred with the sister Republic of Mexico that lost half of its territory. What would they have said to justify the actions and to explain the heroic struggle of the Mexican people against the invaders? What would they have said to explain that unforgettable historic action by the heroic children of Chapultepec who hurled themselves from the heights of the castle [applause] and preferred to die wrapped in the flag rather than yield the flag to the invaders? What would they have said in those times to explain the struggle of the Central American peoples in 1855 against the invading filibusters who occupied Central American territory and, moreover, named themselves the rulers of Central America? What would they have said in 1902 after the first U.S. military occupation of Nicaragua to explain the people's resistance?

Since the October Revolution had not yet occurred, who would they have blamed for that? How would they explain the Mexican revolution, which was so harsh and so heroic between 1911 and 1920, since the Mexican revolution also took place before the revolution in October of 1917? Who would they have blamed for Sandino's struggles? For that heroic battle waged by the Nicaraguan people against the U.S. invaders in 1928 or 1927? What would they say? Who would be blamed for that subversion? Who would be blamed for that revolutionary struggle? We Cubans? Can the Cuban revolution be blamed for Sandino's struggle?

When Sandino began his historic, glorious struggle on 4 May 1997 [corrects himself] 1927 against the U.S. occupiers, I was not yet a year old. [laughter] Sandino struggled for 6 long years with a tiny army against the immense power of the invaders. Who was to be blamed for that? We know the rest of the story: negotiations; betrayals; the installation of an army of occupation that replaced the invading troops; Somoza; 50 years of the Somozist dynasty until the children of Nicaragua, again taking up arms as they had done so often in history, destroyed the tyranny at an enormous cost in blood and won the definitive independence of their fatherland. [applause]

Sandino was certainly, by his example, an inspiration for all peoples of America. Many of us grew up inspired by Sandino's example, by Sandino's teachings. Therefore, his influence was not limited to Nicaragua. It was felt in Cuba and throughout the entire hemisphere. We grew up under that influence.

However, Sandino also showed us our people's patriotism, our people's valor, our people's indomitable spirit, and their capacity for struggle regardless of how powerful the adversary. Sandino became an eternal symbol that emerged when it was so greatly needed in that period. The proof of the value of that example, of the value of that symbol is this revolution which carries his name: the Sandinist revolution. [applause]

That is why I say that this is a very great honor. I receive this decoration as a tribute to our people, as a tribute to the thousands of my compatriots who have been here over the past 5 years as teachers, doctors, health technicians, construction workers, and assistants in many fields giving their sweat and some of whom, as Daniel pointed out, also giving their blood and their lives. [applause]

Many of them worked under difficult conditions. Our teachers lived alongside the peasants. They lived with them. They ate what the peasants ate in the most isolated corners of Nicaragua.

Cuba was often criticized for sending teachers. Every year they taught tens of thousands of children. Did Nicaragua, perchance, refuse teachers from any other country? Instead of teachers from Cuba alone, why didn't teachers come from all of the sister countries of Latin America and even from the United States? What stopped them from doing this? They and we all knew that there were children without teachers and that was our only motivation, not prestige or honors. We have done only what we would have been happy to share with everyone. All of the other Cuban helpers worked in the same spirit. On their behalf I receive this honor, which is not only in recognition of those who worked here, but also for those over there who always made every effort to collaborate and help produce things for Nicaragua. [applause]

On behalf of our people, their internationalist spirit, and their love for the Nicaraguan people, we receive this acknowledgement. [applause] Companero Wheelock explained the history and the significance of this project that has united us here today. I had not even dreamed or thought of the privilege of inaugurating this project on a date such as today in the presence of so many fraternal representatives from several countries in the presence of the FSLN, their most prestigious authorities, Nicaraguan workers, the fighters of the Sandinist People's Army and the Interior Ministry, and in the presence of Cuban workers and collaborators. Wheelock's statements save me from having to explain many things about this project. Initially, I want to point out that this industry is the product of Nicaraguan initiative and was conceived by Nicaragua, an integral conception, as has already been explained, in all aspects, especially in a project as important as the saving and development of new energy resources. I want to point out that this will imply increased production, a 50-percent increase in current Nicaraguan sugar production, and 30 percent of the future production when the projected enlargements have been executed in other sugar industries.

I must say something, objectively. This sugar industry is [word indistinct] and this project is the most complete in the sugar production industry. It is the best conceived and the most complete of those existing in any country in the world, even in our country. [applause]

With the triumph of the revolution, we inherited many sugar mills from all eras, of all models, and with machinery from all other the world. For this reason, the maintenance and development of these mills was very complicated until after the revolution, when we enlarged and modernized many of them.

Moreover, in the past few years we have constructed several mills that are identical to this one. I speak of the industry. These are standardized mills with the same production capacity and with the same type of equipment, which helps a lot. We have approximately 10, 15, or 20 mills that are similar.

We contributed the conception of the mill, but Nicaraguans contributed the complete conception. This is why I am convinced that this industry, this agro-industrial complex, will become a point of reference and a model for the sugar industry. I have spoken to many persons who visited Nicaragua; they knew of this place and this project when it was under construction. They were impressed by this project which was constructed in such a brief time with such passion and with such effort.

Wheelock explained the economic significance. While he spoke, I thought of another event. The construction of this industry began for the people; I thought that this industry will not belong to any transnational or any foreign company. [applause] No one is going to take a single cent from this industry which is the result of the workers' effort. No one will take its capital to send to the main headquarters of banks. Not one cent. The entire mill is Nicaraguan and belongs to the Nicaraguan people. [applause] All that is produced, saved, and all profits are for the Nicaraguan people. [applause]

In reality, when we arrived here we did not meet any misters, I remember when I was 7 years old -- 6, 8, 10, a long time ago -- not very long ago, but much later [laughter], I heard people talk about mister this and mister that. I saw all of the factories administrated by the misters. They gave the orders, they earned large salaries, and the firms earned huge profits. When I arrived here I did not find, I repeat, any misters, but rather some young men. They told us: This is an investor, a Nicaraguan; this one is the director of the industry, a young, well-prepared Nicaraguan who is the chief. What a difference! If we think about all of this, the conclusion is that in reality this means great changes, great social changes, and great revolutionary changes.

I do not know then, what is considered fair. Was it fair that the mill belonged to Somoza? He had many industries, and we never heard a word of protest. That the mill belong to Empresas Azucareras? Is that, perchance, what is just? Is it possible to convince the people that this is just? Was the past just, or is the present just?

Ah, but while this started, another thing had also started in 1981. The dirty war against Nicaragua had started. The dirty war was called covert operations. What is left of this covert nature, if all the U.S. newspapers discuss all the resources, budgets, and credits approved to carry out this dirty war against Nicaragua? What has been the meaning of this dirty war and how can it be justified? It has cost so many lives; the lives of no fewer than 4,000 Nicaragua patriots and humble citizens. Most of them were civilians, and many of them were women, elderly people, and even children.

However, it is not just a matter of the lives that it cost. For the first time in this country's history, Nicaraguans were involved in a literacy campaign in which hundreds of thousands of humble citizens, workers, laborers, and peasants were being taught to read and write. While schools were being established, hospitals were being opened, medical services were being promoted, and vaccination campaigns were being carried out to save the lives of children by reducing the rates of illness and mortality and increasing their life expectancy. While all this was under way, a dirty war was being unleashed that was taking the lives of children and women: 4,000 lives. Not only did it take lives. While the Nicaraguans were trying to promote agriculture, industry, and products for export, while they were carrying out projects like these as well as other projects, that dirty war was destroying farms, agricultural installations, and schools. It was destroying the country's economy. It had a considerable adverse effect on Nicaragua's production of lumber, one of the country's most important export products. That product is also needed by the people to build houses, to have wood to build their houses. They destroyed equipment; they destroyed sawmills.

While the Nicaraguans were building roads for communications among towns, the dirty war was destroying bridges and construction equipment and killing construction workers who were promoting the country's development. The dirty war, with its pirate attacks, mining of ports, and constant harassment, considerably undermined the country's fishing production, another important source of income. The dirty war undermined the coffee production, the country's most important source of income and foreign exchange, which helps to purchase foodstuffs, medicines, and essential products for the people. It cost the country hundreds of millions of dollars a year. That is why today, while we are here inaugurating this plant, somewhere else they may be destroying an agricultural installation, a school, or some other social installation.

In the light of human conscience, in the light of ethics, is there perhaps any justification for this? Can it be justified? Is there any justification for sending mercenaries to destroy a people's peace, a people's wealth, a people's work? Perhaps the significance of a project like this is better understood when it is contrasted with those actions.

Have we come to such a pass, have we seen so much pretension and arrogance that it is necessary to justify and explain a project like this one, to show that it is not a great crime? Have we come to such a time that we even have to give reasons for a visit to Nicaragua? We have not visited Nicaragua very often. This is the second time in 5 and 1/2 years, on an anniversary. I have actually been invited very often, but do I have the right to be taking up the companero Sandinists' time? Do I have a lot of time to travel? On the other hand, is it perhaps a violation of international law to extend an invitation? If so, imagine how many violations have been committed at this time on the occassion of Companero Daniel's inauguration. Have we reached such extremes of trying to curtail the sovereignty of states that it is necessary to ask permission and even to apologize for inviting someone and, moreover, for the guest to apologize for visiting a brother country? [applause]

Amazingly, yesterday a U.S. State Department spokesman said that he was very annoyed about Mr Castro's visit to Nicaragua. [applause] The friendship between Nicaragua and Cuba is a problem. Since when? It is as if we were to begin to tell another country that we are displeased when they invite a friend. I believe that no other country receives more delegations than the United States. Yet I have never heard anyone in any part of the world protest because it has invited someone, even if that someone was Somoza or Pinochet, or the fascist prime minister of South Africa,where horrendous racial segregation prevails. No. All kinds of personalities, citizens of the world of all kinds are usually invited, usually invited. I have never heard a word of protest from anyone. Ah, but Nicaragua cannot invite us, and I, a citizen of the world, a modest citizen of the world, cannot visit Nicaragua without a protest. [applause] Some of the news dispatches said: surprising Castro visit; unexpected Castro visit. Castro cannot do anything that is not surprising or unexpected. Or else they said: unannounced Castro visit. If Castro does not announce his visits, who knows better than the United States why I cannot enjoy the luxury of announcing many visits, [applause] of announcing visits?

One can go to the U.S. Senate's archives to analyze and study all the investigations they have carried out and the statements they have made that are just a small part of the attack plans they have prepared: dozens of attack plans for inside and outside Cuba. One could be called the right to ban visits, and another could be called the right to hunt down a revolutionary internationally. This is what has been done against my country, and this is what has been practiced against my modest person. The situation is such that not even the right to air travel exists.

We know that many things have happened, and we remember for example that a mine exploded in the port of Corinto one day, another one exploded in Bluefields, and another in that place, and another in the other place.

The puppet mercenaries then came out and said: Yes, we are responsible for these mines; we are the patriots! And we will continue to lay these mines to blow up more ships. A few weeks later it was revealed that no mine had been laid, by any puppet counterrevolutionary organization. A relatively advanced technology was needed to manufacture these mines; sophisticated systems are necessary to lay these mines. It was then discovered who had really laid these mines; this created a great international scandal. The CIA had laid these mines. Can we trust the morals and ethics of such a policy? Therefore, I deplore it very much. I would like to travel like any other citizen, but I cannot announce my visits. I do not like to collaborate with the enemy. [laughter, applause]

I have explained the mystery of the surprise and the unexpectedness. If one wants a clearer explanation, it is a preventive measure to avoid running into one of the SR-71's that are flying throughout the Caribbean, violating all borders. They violate Nicaraguan airspace and have violated many other airspaces, including ours. I was seeking to avoid air accidents.

I wished to explain something about Cuba's cooperation in this project. Companero Wheelock gave many details, and, moreover, he spoke with such affection for Cuba that one might say and think that if Cuba's participation in this project can be described as generous, much more generous have been the words of recognition expressed here this afternoon by Companero Wheelock. We were truly moved by those words. We consider cooperation with Nicaragua and other countries basic duty. Other countries help us, countries that have more resources than we do. We have more resources than Nicaragua. The least we can do is cooperate with Nicaragua and many other peoples, brothers and friends of the Third World who have fewer resources than we do. Thus, there are Cuban doctors in over 25 Third World countries; technicians and construction workers, cooperating in dozens of countries; and we even have 22,000 foreigners from 82 countries on scholarships in our country. [applause] That is why we have said on other occasions that to be internationalist is to pay off our own debt, our fatherland's debt to humanity. [applause]

I wished to give a few figures, not to bore you, because that is not my intent, but for a reason that I will explain later. Incidentally, I noted that some of the figures that I brought from Cuba do not coincide 100 percent with those given by Wheelock. There is something, perhaps a typing error, [laughter] by the Cuban Ministry of the Sugar Industry or the Cuban Cooperation Committee, or by Nicaragua. In some cases the figures are higher, and in others they are a little lower. I would like to point out what our cooperation consisted of in technological equipment produced in Cuba, 34,161,000 pesos; technical equipment acquired by Cuba in the socialist world, 11.2 million pesos; metal structures built in Cuba, 170 tons worth 63,000 pesos; 7,800 tons of sheet metal -- I think that Wheelock gave a higher figure, and it could be that some other equipment was listed in the steel section, but we have a figure of 7,800 tons of steel -- worth $1.95 million; 219 units of pumping equipment and engines, 525,600. Are these dollars? [words indistinct] Ah no, pesos, and it should not be forgotten that we consider our peso worth more than the dollar. [laughter, applause] Well, in Cuba, a peso has much greater purchasing power than a dollar in New York. I can give you examples. In Cuba, with a peso one can make 20 trips on a bus; in New York, a dollar pays for less than 2 trips. You can make more bus trips and do more things with a peso in Cuba than with a dollar in New York.

Agricultural equipment, 44 units -- I think that this includes the combines, right? -- 1.9 million pesos. In total -- and here we do not agree, Wheelock -- the value of these items is 49.810 million pesos. I think you said 48 million. Might it not be in another currency, that of the eagle? Now for total tonnage: Tonnage sent from Cuba was 31,500 tons. Volume was 77,680 cubic meters. That might not be a very important figure, but the companeros who gathered the data will probably be encouraged to have their date used.

The number of packages was 22,350. It was probably stated that these were weapons being sent to Nicaragua. As for the number of sea voyages, you said 29 and my figures say 33. There were probably some other trips that you do not have listed. Shipment by air: 210 tons. Estimated number of critical, basic spare parts sent, as of 30 June 1985 [as heard] 1,500 tons. We still owe another 1,500 tons.

In addition, as Wheelock said, some 400 Cuban workers and technicians worked on the project. A few hundred more, some 700, came for brief periods according to their respective skills and then left. There is a contingent of workers that is helping to put the mill into operation.

Perhaps I should mention, regarding our cooperators, that throughout these years since the unleashing of the dirty war, Cuban workers have run the same risks as the Nicaraguan people. In the face of the incessant threat of an invasion or an attack, our cooperators have faced the same risks alongside the people. In other words, they are making their contribution under conditions of real and potential danger.

You may wonder why I am referring to the data on Cuba's contribution. You might think I was gaining propaganda, publicity, with that contribution. I would not have dared to speak if Wheelock had not spoken first, but he did speak, and to excess, not to excess in content but in generosity, in what was moreover a brilliant work of oratory, with data, a difficult feat, leaving out nothing and no one who made this collective project, as he called it, possible.

I speak of these specific figures for the following reason: Our cooperation with Nicaragua throughout the 5 and 1/2 years since the Sandinist people's revolution triumphed has been based on absolutely free cooperation in all areas, [applause] in education, health, agriculture, construction, the merchant marine, fishing, and many other areas, at various levels of teaching, in transportation, and on occasions of natural disasters. We have contributed material, cement, and steel. We have also contributed construction equipment; in other words, everything that has been at hand, and always, of course, we have tried to give some resistance [as heard] to our many needy friends here. I have been noting that some people have become specialists in presenting their needs objectively. We do what we can with pleasure. In general, it has not been difficult for them to obtain some assistance from Cuba, because they have many other friends besides me. There are many other advocates in the country who greatly desire to help the Nicaraguans. I note this subjective factor among our companeros.

All of this cooperation has been given freely, except for this project. When they proposed that we cooperate in this project they asked for a loan. Well, this was a large-scale industrial project, and although we have reached some degree of development and we already produce, as Wheelock said, over 60 percent of the equipment needed for a mill of this kind, we do not have a lot of resources. They said: We want this on the basis of a loan, and we agreed to cooperate on that basis. It is what is called a soft loan, at low interest. We offered a credit payable in 12 years at 6 percent interest, which is less than half of the current interest rate on the world market, for 12 years. If one adds up all the materials, work force, projects, transportation, and so on, plus the interest, the amount paid by Nicaragua, according to our estimates -- I do not know whether Wheelock's figures are higher or lower -- is $73.8 million. We have figured it in dollars in this instance. These estimates are based on cost prices. Some projects of this type, construction cooperation, or what could be called commercial operations in worldwide practice, could be calculated -- as Wheelock and I estimated -- if they were carried out or supplied by a transnational company or the like -- and we know this because we purchase a great deal of industrial equipment -- the value of this cooperation could be estimated at some $100 million, and that would be conservative.

Well, none of this is important. The essential, fundamental reason for my explanation of these figures is as follows: The leadership of our party and of our government has been analyzing, on the occasion of the inauguration of the project, everything related to this agreement, this convention. We have also been analyzing what is happening in Nicaragua, as I was explaining. While colossal efforts are being made to increase production and services, a dirty war is being waged against the country. It is costing lives and hundreds of millions [currency not specified].

In addition, Nicaragua inherited the legacy of Somoza: an enormous debt, a country that was destroyed twice in a short time, by an earthquake and by Somozism -- the Somozist repression and Somozist bombing. It is facing problems: high interest rates; low prices for its products on the market; and problems of the international economic criss. Cuba has reached the decision to cancel this debt owed by Nicaragua. [prolonged applause] [Unidentified person announces: All members of the National Directorate and all those in attendance have risen to their feet to salute this decision reached by the Communist Party and revolutionary Government of Cuba]

Therefore, we are donating all the equipment, material, labor, the value of the projects, and the physical and mental effort to Nicaragua. Thus, in the name of Cuban people, we donate the Nicaragua the cooperation that we have carried out in the construction of this project, including the 1,500 tons of equipment that remains to be delivered. [prolonged applause]

Actually, it is my profound conviction that the solution to the problems of our Third World countries, which are presently burdened and stifled by enormous debts and which have few resources, is the cancellation of their debts. We proposed this at the last summit meeting of the nonaligned countries, in principle, not to resolve the problems but simply to begin modestly to solve the problems and have fewer resources. Similarly, I am convinced that for the Third World countries of greater development and more resources, the only solution is an extension of the payment period to many years with grace periods and low interest rates.

This is not an absurd demand. It is the only possible solution to begin to resolve the Third World's present problems. It is true that at times the debts are owed to private banks, but the states, especially the rich industrialized states, should assume responsibility for that debt. For example, the internal debt of the United States is $1.6 trillion. Can you comprehend that? It is not easy. At this time, it is not easy to explain. I will say it another way, as I did recently in Cuba: $1 trillion, plus $650 billion, is the U.S. internal debt. Well, that is what is spent. What is spent in weapons yearly in the United States, in the United States alone, is a figure almost as large as the foreign debt of all Latin America. It is not impossible for the economy of the rich industrialized countries to assume that debt and to assume it all. In our discussions we established a difference between the countries of less development with greater difficulties and more resources, and those which have a higher level of development and more resources, for which we proposed a longer period for paying off their debts, with low interest rates.

This is consistent with the decision adopted by our party and our government. If you permit me -- I realize that I am not in Cuba and that I do not have the right to speak for such a long time [applause] -- but I think it is necessary, if you will permit me, to speak of the international system on this occasion. It is related to Nicaragua and our position, and I want to go into it.

In order to justify the imperialist attacks on Nicaragua, it is stated that Nicaragua wants to export its revolution to Central America, and it is stated insistently that Nicaragua wants to export its revolution to El Salvador.

In fact, if one meditates a little, it is not necessary to turn to the historical facts that I mentioned previously, but just to remember that in the 1980's, before the Cuban revolution and long before the Nicaraguan revolution, there were great uprisings and great struggles in El Salvador, and that tens of thousands of people were killed. Some 30,000 peasants were reportedly killed. Anyone who is a little informed knows that at least 10 years before the Sandinist triumph, Nicaraguans [as heard] had been fighting against the genocidal, repressive regime. I know quite well that it began many years before the triumph of the Sandinist revolution and that it had gained great strength by the time the Sandinist revolution triumphed. How can Nicaragua be accused of trying to export revolution to El Salvador or any other country? There is something of which we are completely convinced. It could be called a principle that can be summarized in a few words. Revolutions can neither be exported nor avoided. This has been demonstrated by life, by history, and by revolutionary theory and practice throughout the centuries. If necessary, we can go back to the French Revolution, or the Mexican revolution, or the Russian revolution of 1917, or any revolution, even ours. If we had wanted to export our revolution, we had no one to offer it to. We did not know anyone. [Words indistinct] entrust a revolution as an import. That argument is so ridiculous, so absurb, so simplistic that we can say: Who can export the present international economic crisis that is creating so many social problems and so much instability in many countries? Who can export that enormous Latin American foreign debt of $360 billion?

We remember the era of the Alliance for Progress, when it was said that Latin America's problems would be solved with $20-billion loans. Now Latin America, 24 years later, has twice as many problems, twice as many people, twice as many social problems, and an enormous and intolerable debt of $360 billion. Who can export that situation? Who can export the growing underdevelopment and misery in Latin America and the hunger, the real fact that tens of millions of people are hungry?

The statistics on average nutrition in each country are known, and averages mean that the figures are much lower for the majority and much higher for a minority. The figures on health are known. All international organizations report on this constantly. Who can export these conditions, which are the source of the peoples' struggles and revolutions? Who can export this selfish policy of the capitalist, industrialized countries? Whose protectionist policies stifle the economices of the developing countries? Who can export the unequal trade under which every year more products must be exchanged for the same equipment that we import? Who can create those conditions artificially? Who can export those conditions? They result from numerous, varied, different historical factors and the accumulation of the problems that those factors have created.

They resort to the misused argument that Nicaragua is trying to export the revolution, as they have done with Cuba. Let me say what I think, my inner conviction, the truth is that the main, the essential, and the infallible agent of the revolution in this hemisphere is the IMF. We saw this in some countries; we saw the measures applied, the social restrictions enforced, and the brutal damage inflicted on the people's standard of living, especially the workers. In some places, like in Santo Domingo recently, this provoked a rebellion among the people against the IMF measures. The police and the Army had to be sent out to kill citizens, and they killed dozens of citizens. The debt...[corrects himself] The enormous foreign debt and high interests, the underdevelopment, poverty, protectionist measures, unequal trade, and exploitation against our people are creating unbearable conditions for our countries.

We are going to talk seriously; these are, I repeat, the infallible factors of subversion and revolution; subversion is a word invented by them to blame someone else for this and revolution is our word.

If no solution is sought for these problems, and if, for example, no solution is sought to the foreign debt problem, then the conditions of political instability in Latin American countries will become increasingly worse. If we want to achieve stability, we must start by overcoming this problem. The world needs peace and the need for peace is currently a universal call, more than ever, since mankind became fully aware that modern weapons and technology cannot conceivably solve international problems through war. This luxury could only be afforded for many centuries by powerful warmongering states, colonialist powers, and imperialist powers. Nowadays, no one can afford the luxury of thinking that the solution to problems lies in a war because, I repeat, mankind has become aware of this fact. Mankind is aware of this; leaders are aware of this; statesmen are aware of this; scientists are aware of this; and anyone with a minimum level of education -- and there are many in the world -- is aware of the fact that a world war nowadays would represent the extinction of mankind and many other species; possibly every species. Some scientists say that only the cockroaches and other similar insects would be able to survive a nuclear war, a world war; apparently they have a strong defense against radioactivity. This is very well known.

There is a generalized clamor for peace and we meditate a lot about these problems. Thus, the international public, the whole world, welcomed with satisfaction the news and communiques regarding the meeting in Geneva between the U.S. and Soviet representatives. The whole world awaited the communique about this meeting, because it is a very important event. The communique talks about the two countries' willingness to discuss matters related to the so-called space war, space weapons, strategic nuclear weapons, the long- and medium-range strategic nuclear weapons. The communique talks about negotiating to curb and reduce the rash arms buildup and, for the first time in a communique of this nature, it meantions the destruction of all the nuclear weapons as its final goal.

This is the first time in this critical period, which was, is, and will continue to be highly dangerous, that such a complex and dangerous problem ever to be faced by man is discussed and mentioned as the final goal. Naturally, this was welcomed with pleasure by all countries. This is fundamental for Third World countries because if we do not have peace, if this incredible rash arms buildup is continued, there will not be a single ray of hope for them. There will be no defense against these types of nuclear weapons: hunger, underdevelopment, poverty, loss of natural resources -- as is happening in African countries. These countries are facing a veritable apocalypse: the growth of their desert. Millions of people are dying of hunger, and the industrialized world has seen scenes on television screens that recall the Nazi concentration camps after the war. The world has become aware of this problem, because there would not be the most remote hope for Third World countries if this problem is not solved.

Industrialized countries, who are aware of these weapons' power, also consider vital, fundamental, essential, and a priority the avoidance of a nuclear war. This concern is shared by all the statesmen, leaders, even the closest U.S. allies. Southern African countries want peace; the southern African peoples need peace. The Southeast Asia peoples want and need peace; the Middle Eastern peoples want and need peace; the European peoples want and need peace. The peoples in our region want and need peace and they have a right to achieve peace.

I think that all of the peoples of the Caribbean and Central America want peace. Mexico wants peace in the region and works for peace in the region. We always mention Mexico with great respect, with great gratitude, because Mexico's conduct in this hemisphere has been exceptional regarding Cuba. It has not only been this way with Cuba. It has also been exceptional regarding Nicaragua. Mexico is one of the countries that has aided Nicaragua economically the most during these years. We know this. [applause] However, Mexico did not only help Nicaragua; it, along with Venezuela as a result of the brutal rise in oil prices, promoted agreements to supply the Central American and Caribbean countries with oil based upon the possibilities of receiving as credits a part of the price of the oil. Oil increased from $20 a ton to more than $200.

Mexico promoted and supported a policy of supplying approximately one-third of that price as credit to be paid under certain more favorable conditions if these resources were destined to investments in energy. Good. It was an effort, although all the countries of the area would have to pay in cash more than $150 per ton or thereabouts, which was practically unbearable, but at least it was an effort, it helped. We can say that Mexico has been very generous in its economic cooperation with the countries of Central America and the Caribbean. Mexico has made an effort to create formulas of negotiations and peace in the region, and it is one of the pillars of the Contadora Group.

Panama wants peace and needs peace, in Panama and in the region. The Panamanians struggled for a very long time to recover their rights over the canal and for the restitution of the territories occupied by military bases. For a period of years, in order to carry out their independent policies and in order to complement their aspirations of achieving total recovery of their sovereign rights over their canal and their territory, that country needs peace. It is one of the countries that along with Mexico, has made a great effort to find political solutions to the problems of the area. Colombia, the third country of the Contadora Group, wants peace. Venezuela wants peace. These four countries have formed the group internationally known, with ample international support. The Contadora Group has been struggling to achieve solutions to the problems.

Nicaragua needs and wants peace. All of the Central American countries need peace. All of the countries in the Caribbean, including Cuba, want and need peace. This is a reality. However, I believe even more that the people of the United States want and need peace, on the international level as well as on the regional level. The U.S. economy cannot endure much longer under these colossal military expenditures. At least, it cannot endure the increase of these expenses, as it cannot continue to endure a budget deficit of more than $200 billion, a trade deficit that already reaches $120 billion annually. It cannot endure without the economy breaking down. They have done this but at the expense of the economies of the rest of the Third World countries and those of their own capitalist allies.

Objectively, the U.S. economy needs peace. This would not only be in the interests of the countries of the region and the continent, but also in the interests of the American people. No one is capable of calculating the consequences of an armed invasion by the United States of any Central American or Latin American country. It would be such a great offense and such a deep wound to the Latin American peoples' feelings that it would take who knows how long to erase it, if it could ever be erased. We are not living in 1927 or 1912, when there were no radios or other media, nor the awareness that exists in the world. Today there are more than 150 independent states, an ample and powerful international empire not only in the world but in the United States itself, and this was demonstrated at the time of the Vietnam war and with the invasion of a Latin American country.

We only have to recall the hemisphere's reaction to the Malvinas war, even though a repressive military junta was ruling the country. However, not even this prevented the expressions of support for the Argentine people. In view of the current level of awareness of our peoples, I really think that it would be an inconceivable mistake. Furthermore, our peoples are not the least defenseless, and they should not be underestimated. I am absolutely sure that an intervention in Nicaragua would generate a totally invincible resistance from the Nicaraguan people. [applause]

Based on realities, and not on goodwill, an intervention in Nicaragua (?will generate) an endless struggle among the people that would develop into real genocide, which the world would consider intolerable, and a war in which the invaders would have to pull out in the end.

The situation is exactly the same as in our country. We have prepared our people to resist. We are absolutely and totally sure of this, no matter how many millions of soldiers are used. Nonetheless, there is nothing extraordinary about this anymore, as we have seen in recent times, even facing the most sophisticated technologies, the most perfected weapons. I recently gave a few examples at the Cuban National Assembly of the People's Government. For instance, I mentioned the Saharan Democratic Arab Republic, whose representative is here among us. [applause] A small country, with a very small population, located in a desert region, is fighting for its independence, against the occupation of foreign troops. It is fighting against hundreds of thousands of Morrocan soldiers, supported by the United States, with highly sophisticated weapons and equipment. That country is victoriously fighting back the occupation, and has kept the Morrocan Army under control. There is no way of destroying that movement, that struggle. The Saharan people cannot be defeated. I also mentioned the case of Algiers with the French, who were...[rephrases] well, they were, and still are...[rephrases] in other words, when it fought against one of the strongest, best equipped, and most experienced powers in colonial wars: France. The Algerians fought against hundreds of thousands of soldiers for many years and achieved victory. In Yugoslavia, whose representative is also here among us [applause] during the Nazi occupation, the people rose in arms, under the direction fo the Communist Party. They were not really ready for that, as they were practically without any weapons when they started, but they fought against dozens of the best German divisions and against dozens of Italian divisions, against dozens, perhaps hundreds of thousands of collaborators, and gave a lesson of what people can do. Ah, but after that we had the Vietnam lesson. For years the United States, the most powerful imperialist country, sent 500,000 soldiers, its best divisions, thousands of planes and helicopters, its best experts against the small, poor, economically poor country Vietnam. The Vietnamese people fought for years, developed extraordinary experience, and defeated the most powerful imperialist power, giving the world the example of an invaluable experience. Near Nicaragua, Salvadorans have been fighting for 5 years on a small piece of land, against tens of thousands of soldiers trained, armed, and equipped by the United States against dozens of planes, helicopters, all kinds of technologies, but the Salvadorans persist under these conditions. They have experience and strength, they are an example of what people can do and are doing. This cannot be neutralized by any military technology, regardless of how sophisticated it may be. In other words, our people have the capacity, determination, courage, and fighting spirit. In other words, any military adventure against a Latin American country will not only generate colossal political problems, but also the invincible resistance of our peoples. However, our peoples do not want these victories, this glory, that would cost many U.S. lives on one hand, and countless Latin American lives on the other. No one wants that bloodshed, no one ever wants this kind of war to begin. This is why we can say with profound convinction, not only with a realistic, but political and revolutionary conviction, that our peoples and this includes the American people want peace, need peace.

I have seen many North Americans, professors, technicians, and youth, whose feeling of sympathy leads them to collaborate with Nicaragua, because they are ashamed of the dirty war. They are collaborating in different fields of agriculture. There are many in the United States who feel the same way. The way the American people feel is very important. We are also aware of the efforts being made to change the way the American people feel.

Last night I read a dispatch on a book to be published in the United States. It is on how the U.S. Government uses tremendous arguments supposedly to explain and justify new funds received from Congress for the dirty war. It contained some facts that amazed me. It began talking about tons of arms and ships with arms. I do not know where the agency obtained the information.

The book talks about how it increased every year and that this year, the last year was... [sentence incomplete] They talked of 33 ships loaded with arms for Nicaragua. Well, the ships loaded with arms seem to be the ones I was told that brought the equipment for the sugar mill in Nicaragua. Thirty-three ships. It is incredible, absurd, an invention from top to bottom. I recently read a dispatch which mentioned seven Soviet ships loaded with arms. However, I knew that the seven Soviet ships were loaded with supplies for Nicaragua and not one single weapon. I closely followed the developments. A few days later, they said the seven ships arrived but they did not carry heavy arms, they transported light arms. I do not know if a bag of wheat, or an oil barrel, is a light arm, if foodstuffs, agricultural equipment and transportation equipment are light arms. It is the first time in my life that I heard such a thing.

We know the truth about those ships. They did not bring one single weapon. Evidently there is a campaign to try to prove that what Nicaragua has said is not the truth and that there is no objective to reality and the truth. A campaign has been unleashed because Nicaragua has armed itself and has tried to obtain arms that are not offensive, arms that are of a purely defensive nature. An armored vehicle can be used as an offensive weapons. The fundamental arms that make Nicaragua powerful are the light arms. Definitely, it is hard to control. It has done it to threaten its neighbors. That is ridiculous, it is absurd for a revolutionary country to carry out a military adventure against its neighbors. It is contrary to the thought, the idea, of any revolutionary party of this hemisphere that is continuously threatened.

Who can conceive that a country like Nicaragua can harbor the intention of waging a war against a sister country? Against Costa Rica or against Honduras? It is absurd. This would be to serve imperialism on a silver platter, a golden pretext to attack Nicaragua. It is absurd and inconceivable.

Against whom is Nicaragua arming itself? Who is threatening Nicaragua? None of the neighbor countries is threatening Nicaragua. Nicaragua's traditional threat has always come and continues to come today from the most powerful imperialist country. That is where the threat comes from. Nicaragua made the efforts to prepare itself and organize the people for the people's struggle. Is it that difficult to understand that Nicaragua did not receive arms to fight against its neighbors, nor does it have any interest to fight against them? It is just trying to defend itself from the traditional threat of the past and the present.

Can we criticize a country for doing that? What are we supposed to do when we are threatened? Should we disarm ourselves, or go down on our knees? No revolutionary country when threatened disarms itself or goes down on its knees. [applause]

This is understandable. That is why we can say with absolute certainty that our peoples want peace and they are willing to contribute with efforts for peace in the world and in our region.

It is an honest attitude. What can we gain from war? War, for what? We will defend ourselves only if we are attacked or invaded, like the lion's cubs of which we talked yesterday. Spanish lion's cubs to which Daniel referred yesterday when he remembered Ruben. Not just a thousand cubs, but millions of cubs, and not just Spanish cubs, but Spanish, Indian, and African cubs we are. [applause]

What interest can we have in waging a war with our neighbors? Even in our country we have a military base against the will of our people. It has been there throughout the 26 years of the revolution, and it is being occupied by force.

We have the moral and legal right to demand its delivery to our people. We have made the claim in the moral and legal way. We do not intend to recover it with the use of arms. It is part of our territory being occupied by a U.S. military base. Never has anyone, a revolutionary cadre, a revolutionary leader, or a fellow citizen, had the idea to recover that piece of our territory by the use of force. If some day it will be ours, it will not be by the use of force, but by the advance of the conscience of justice in the world. Meanwhile, billions are spent there uselessly or are spent to try to humiliate Cuba.

Should we decide to attack the base, it would be the pretext that imperialism would use to label us aggressors, warmongers, and to attack our country. The same attitude is observed by any other revolutionary country or group of responsible leaders. I cannot speak for the Nicaraguans, but I know how the Nicaraguans think, based on our relations of many years. Therefore, revolutions cannot be exported. Nor do our countries have the least intention of fighting or attacking their neighbor brothers.

We are willing to cooperate. I was saying a few moments ago that we want and need and have a right to peace. We must demand peace, not as a gift but as a right. We need peace the same as the world needs it. We will be glad if there is peace in the world. It is not possible, however, to have detente and peace in the world if our region and our peoples are attacked. This would become a disturbing factor in all international relations.

I explain this in order to express here all our convictions and the reasons for our principles and the ideas of our party. Talking to the Contadora foreign ministers, I was able to explain to them our opinions on what we have been discussing, as well as our willingness to cooperate.

We sincerely believe that this can be truly achieved. We need to negotiate agreements and this is not easy. There are also complex problems, but right now I can think of two essential things. 1. We have to promote a dialogue and political negotiations between the FMLN-FDR and the Salvadoran Government. We must encourage these political negotiations. We must support them. It is necessary to find negotiated political solutions in El Salvador. This is an essential factor in the solution of Central American problems. We cannot think of any solutions in the area if it means that El Salvador would be excluded. It would be a tremendous mistake to think that the Central American problem, particularly in El Salvador, can be solved through the extermination of all Salvadoran revolutionaries. These revolutionaries have demonstrated their ability to fight their courage, and their morale in combat for 5 years, and they are unbeatable.

In addition to talking, one has to watch many things and learn from the experiences of others, events that occur in various places, the development of revolutionary political movements. We can say that the Salvadoran revolutionaries are nowadays the most courageous and experienced in Latin America. [applause] These revolutionaries are among the most experienced in the entire world. This is only the logical and the natural outcome of the struggle. As obstacles and forces are encountered by a fighting people over a long period of time, the people develop an even greater fighting strategy and gain even more experience.

We might say that it is fundamental to dismiss the notion that, if we want to find solutions in the area in good faith, we can solve the problem by doing away with all the Salvadoran revolutionaries. We must have agreements to guarantee Nicaragua's integrity integrity and safety (?against) direct aggression and the dirty war. This is essential. Actions are required to guarantee peace and security for all the Central American countries without exceptions, because all are brother countries and need peace. If there is good faith -- and we are willing to work in good faith -- it is possible to have peace in the area and friendly relations among Central American and Caribbean countries, and Cuba.

We can even have good, normal relations between our countries -- in this case I mean Cuba and the United States. This would be because of revolutionary conviction and because we try to be realistic.

Theirs is a different system. It is up to them to change it when they so desire. I have not known anyone interested in changing the U.S. social system. Ah, but the United States has this habit of trying to change the social systems of other countries. But the nations' sovereignty has to be respected. We also declare our willingness to live in peace with all other countries, but in a peace based on respect. I repeat, we will never kneel before any threat. We consider ourselves capable of living on good terms with all our neighbors, near and far, from the Caribbean and Latin America in terms of respect and peace, regardless of their ideology and economic system. And I repeat, these situations that can bring changes in some countries are historical factors. Nothing is relinquished and no principle is laid aside. Of course, history and its realities are not dismissed.

I reiterate here our sincere willingness, which we expressed it to three Contadora foreign ministers yesterday, to have peace. It is possible to have peace. This will require the good faith of all and all will have to make concessions of one type or another. We cannot have peace if some make concessions while others make none and still make demands on the others. This making of full concessions unilaterally would be a shameful surrender and no revolutionary country either sells itself or surrenders. [applause]

I avail myself of this occasion to state my viewpoints to the Nicaraguan people as we inaugurate this achievement of peace, this sugar mill. The real dream of a revolutionary government and member is to be able to achieve many works like this, factories, hospitals, and schools, and to be able to develop the country's education, public works, public health, production of foodstuffs, and increase the people's cultural levels and their dignity. This mill is a symbol of the most intimate dreams of revolutionaries. [applause]

A few words more, with the noble intention of concluding. Regarding some of my impressions during this trip, I will say that we were curious to see how the Nicaraguan people were, how the cities looked. I was favorably impressed when I saw the cleanliness throughout the city of Managua, the beauty of the city, the changes, the orderliness throughout the city, and the green areas. There have been noticeable changes since I was last here. I was favorably impressed. It was especially satisfactory to observe the Nicaraguan people's high morale, combativeness, and enthusiasm. This explains the great tasks they have carried out during these last years.

If the construction of this sugar mill was a Nicaraguan enterprise, an enterprise that was really a feat, I believe that what the people have done throughout these years has been an even greater feat. They have countered aggression, fought courageously and with dignity during the aggression and the dirty war which has been waged against them. How were they able to withstand economic problems throughout these years, which also brought problems for the whole world? How were they able to meet the challenge of the country's institutionalization and the elections while simultaneously facing a war? The elections were held with the traditional liberal rules -- we call them the bourgeoisie's rules -- and on their own terms. These are the classic electoral norms, casting a direct ballot. And it was done (?without) the slightest fear.

The Nicaraguan people were aware of their moral strength and, above all, the government was aware of the people's revolutionary quality. [applause] The challenge was accepted, but the enemy did not accept the challenge; U.S. imperialism did not accept the challenge and tried to obstruct the elections, because it was aware that the people support the FSLN.

U.S. imperfalism did everything possible to obstruct the elections; it exerted all kinds of pressure, resorted to all kinds of pretexts, manipulated the situation and the people -- this manipulation was quite apparent and evident -- to obstruct the elections or postpone them forever. We could not understand...[rephrases] The Sandinists then talked about holding the elections in 1985. Later many people asked the Sandinists to move the elections forward, so they were brought forward. Once the elections were brought forward and the government convoked them, others demanded that they be postponed. Other demands, many more demands would follow the first ones, with the intention of wearing down the country with a dirty war, the human and economic wearing down of a country with a dirty war. There would be economic pressures and boycotts, and the people would be submitted to an endless electoral process. That is why I think, why I am firmly convinced, that the FSLN's decision to stick to its pledge and the date of the elections was the intelligent, correct, and appropriate thing to do. The FSLN did not fall into the trap.

Journalists, more than a thousand journalists, came from all over the world. What did they witness? The people's support for the revolution and the people's enthusiasm. It was not merely support, it was enthusiastic support, and it was evident to all the world. We have been able to ascertain at every level a certain truth. The elections were absolutely honest, as they seldom are anywhere else. The elections were not only honest; a great percentage of people voted in them. This percentage is rarely observed anywhere else in Latin America or even in the United States itself. In addition, the FSLN received a percentage of votes far greater than those ever received by any other political party in Latin America. [applause] This is a real and objective fact. What right does anyone have to challenge these elections when they were held according to the traditional norms?

Yesterday we had the opportunity to participate in the inaugural ceremony. Its simplicity, seriousness, formality, and solemnity were impressive. It included the participation of all sectors, including the executive branch, Assembly, and state officials. It even included the church's participation. I have seen my picture today in some newspapers; I was beside the bishop [corrects himelf] Msgr [Pablo Antonio] Vega, president of the episcopate. [Unindentified speaker says: Episcopal Conference]. Oh, the Episcopal Conference. That is correct, yes. It was a pleasure, and at various times we exchanged views on different topics in an amiable way. His attitude impressed me favorably, because we were able to talk with complete freedom during that ceremony and exchanged views. He left us with a positive impression.

I also had the opportunity to greet the apostolic nuncio in Managua; we talked for a few minutes, and it was a nice conversation. I reminded him about the role played by a nuncio in Cuba; in the beginning there were some conflicts between the revolution and the church. I will never forget the role played by that nuncio, Msgr (Charles Tachey), because it was positive and constructive and helped us establish normal relations with the Catholic Church in Cuba. I might add that we established normal and respectful relations with the Catholic Church and all the churches in our country. This was not a prerogative generously granted to an institution; it was based on the principle of respect for the religious beliefs and customs of any citizen. We are not talking only about respect; more than once I have asserted my appreciation and admiration for the work carried out by many members or religious organizations, especially by many nuns, in our country, taking care of the sick and the elderly. We really appreciate this extraordinary work. I once said at the National Assembly that the nuns who run asylums are models of communism. I referred to their attitude, spirit, generosity, and charity. [applause]

We are extraordinarily pleased because the relations between the church and state are improving in Nicaragua. No one could be interested in creating a conflict. I think that all would benefit from an improvement in these relations, based on our experience. Adequate relations, based on absolute respect, should prevail between the state and the religious organizations.

I had the opportunity to hear Companero Daniel Ortega's speech, and I must congratulate him for it. It was serious and responsible. He talked... [rephrases] explained the FSLN's goals in every sector for a mixed economy and political pluralism. He even talked about a foreign investment law. This sugar mill is an example; Nicaragua can build something with its resources and the help of another country. However, the sugar mill or whatever else is built is the property of the Nicaraguan people; it is not a foreign enterprise. For example, if a great oil deposit is discovered on the Pacific or the Atlantic coast and the country does not have the resources or technology to exploit this resource, it can perfectly well reach an agreement with an organization that has the technology or resources to exploit it. Many countries do this, because this does not violate any national interest, mainly if this involved the government, which cannot be bribed, has the people's interests in mind, and takes everything into account. These are the plans drawn up by Nicaragua.

Companies have come even to our country to talk about creating an enterprise to drill off our coasts, and if the appropriate circumstances and conditions are present in our country, we will accept the establishment of a mixed enterprise; all this is possible. We still do not have a law for this, but I do not think such a collaboration would jeopardize our principles. We would do so only if it proved advantageous for us, and we would demand proper controls. We cannot conceive any other way; it must prove advantageous for us and must not jeopardize our principles.

With the proper plans, a country can continue development. I imagine that you will exert yourselves to exploit all your resources and build many works like this one. I know you will also develop other industries, and there is an opportunity to achieve a mixed economy. This does not jeopardize any principle. The main problem is the achievement of development, a correct use of national resources, an intelligent use of national resources, and the country's defense, which is more important than all the people's interests. A capitalist economy is possible but -- let there be no doubt about this -- the most essential thing is that the government not be at the service of the capitalists. That is something quite different. [applause] It will be a government of the people and for the people and it will defend the people's interests. These actions are not in conflict with revolutionary guidelines. Can it be done, must it be done? It depends, because each revolution is different from the others; each revolution is based on different conditions, forces, and situations. No one can say: This is the prescription for all countries. Each country must write its own prescription.

We know that great problems currently prevail in Third World and Latin American countries, and we do not harbor the slightest doubt or see the slightest contradiction in the realistic, courageous, and wise policy of the FSLN. [applause] The task that lies ahead is, of course, difficult. Every revolution is difficult and complex. Should anyone believe that a revolution is easy, it would be best to advise him from the start to give up the task or goal of starting a revolution.

A revolution is much more easy... [corrects himself] difficult and complex than any other task. It is much more difficult than a war. I assert: Waging a war is easier, much easier, than starting and carrying out a revolution, developing a nation, and building an economy. How many obstacles, how many problems!

This is most true when you must carry it out in a country that has only a fatal heritage of underdevelopment, debts, and illiteracy. It is extremely difficult, and it involves all kinds of complex problems, regardless of the country's specific situation. You can bear witness to this.

I will tell you something that might prove useful, my Nicaraguan brothers: You should know that the task that lies ahead is difficult and complex. However, it is also a noble, honorable, and worthwhile task. It is a great privilege for any human being to be a revolutionary, particularly during these revolutionary times. You become a revolutionary because that is your will.

Could anyone want to be a revolutionary back in the Middle Ages? Could anyone be a revolutionary? No one is a revolutionary because he wants to be, but because a revolution is a need and a possibility at a determined historical moment. I sometimes ask, could anyone in our country have been a revolutionary during the 16th century and try to achieve social and political changes? Could that have been possible in the 17th century, or in the 18th century? Maybe during the second half of the 19th century, when our Latin American peoples were already independent, when our people felt the need and saw the possibility of struggling for their independence, and our people struggled for many years. Were there any courageous and heroic people in the other centuries, capable of being as courageous and heroic as previous generations? Yes, there were, but it was not yet time. Our generation, among others, had that privilege in the 1970's.

No one should complain; no task is more honorable, noble, or stimulating than the task of being a revolutionary. However, it is also the most difficult and; it requires responsibility, self-sacrifice, discipline, and facing a thousand problems. We always say this to our people: We have advanced far in some fields, but we have yet to overcome difficult obstacles in others. We have said that we must overcome the basic problems of our productive sector in the next 15 years. We must increase our exports, consolidate our economy, and forget about new imports. We have discussed this with the people and the youths, planning for our future.

The Nicaraguan people also have these responsibilities, this task. Difficult problems must never, can never, deter a real revolutionary. Great efforts must be exerted in agricultural and industrial production, despite the lack of raw materials and resources, amidst a dirty war, despite lower prices and undermined production. There lies the merit and glory of revolutionary peoples who counter and defeat great obstacles. History is full of these examples.

I tell you sincerely: I see in the Nicaraguan people a magnificent, courageous, struggling, intelligent, and hard-working nation and they will emerge victorious, they will emerge victorious [repeats himself] from their struggle against economic obstacles. They will not lack foreign aid, they will not lack friends who exert themselves to help them. However, the essential thing is the people's struggle, the use of natural resources, the savings in raw materials and fuel. This is essential, and I am convinced they will emerge victorious.

I am also convinced they will defeat this dirty war, with or without new budgets. Of course, the open allocation of funds to wage a dirty war, violating all norms of moral and international law, would not contribute to achieving peace in the area; it would not be an act of good faith, of goodwill. I harbor the hope that peace and stability in the country will be achieved even faster through the efforts of countries in the area, through the efforts of many countries, in the quest for political solutions.

Our most heartfelt hope is that Nicaragua's right to live in peace will be achieved without any more bloodshed, without sacrificing more sons. I harbor that hope, and, as I said, I think this will be a reality, provided there prevails common sense, wisdom, good faith, and goodwill.

However, I also know that you will be able to defend your right to dignity, independence, and justice, regardless of the sacrifices involved. I am completely sure that the Nicaraguan people will fulfill this responsibility, derived from the privilege of living the revolutionary times. I am fully convinced that you, like the Cuban people, will emerge victorious. I also said not too long ago in Cuba: I harbor the hope that there will be peace for you, peace for the peoples of Central America, peace for the peoples of our hemisphere, and peace for the world. Thank you.

'U.S. REPLY' TO INAUGURATION, CONTADORA NOTED

PA130233 Managua Radio Noticias in Spanish 1200 GMT 11 Jan 85

[Text] New York, 11 Jan (ANN) -- The U.S. reply to the new Sandinist government's inauguration and the recent peace efforts of Contadora, which is commemorating its second anniversary, has been to send its most powerful aircraft carrier to Caribbean waters off the coast of Nicaragua and President Reagan's announcement that he will continue the covert war against Nicaragua.

The U.S. Government announced this week that it was not sending an official delegation from Washington to the inauguration of the new Nicaraguan authorities elected on 4 November, so as not to endorse a process which is fundamentally illegal. However, it did say that Ambassador Harry Bergold would attend the inauguration as a protocol gesture.

Some analysts have said the true U.S. delegate to the inauguration is the aircraft carrier USS Nimitz, which is in waters off the Nicaraguan Atlantic coast ~~with its~~ 90 combat planes, ready to participate in clearly intimidating maneuvers.

Meanwhile, the Pentagon has announced that in the coming weeks the Nimitz will be replaced by the battleship Iowa, which has already participated in some maneuvers against Nicaragua as part of the pressure being exerted on the Sandinist government.

REPORTAGE ON DELEGATIONS' ACTIVITIES, REMARKS

Castro Meets Contadora Ministers

PA121507 Buenos Aires LATIN in Spanish 2014 GMT 11 Jan 85

[By Agustin Fuentes]

[Text] Managua, 11 Jan (REUTER) -- President Fidel Castro today reaffirmed the strong ties between Cuba and Nicaragua, staying for more than 24 hours in this country where he attended Nicaraguan President Daniel Ortega's inauguration yesterday. Castro's presence at the inauguration has been interpreted as a demonstration of support for the leftist policy of the ruling FSLN, which has caused a deep conflict with the United States.

The time of Castro's departure has been kept secret, as was his arrival in Nicaragua. However, he is scheduled to attend the inauguration of a Cuban-financed sugar mill at 2300 GMT, where he will deliver a speech.

During the events held to celebrate Ortega's inauguration, Castro talked with the Contadora Group foreign ministers, who are trying to obtain approval for a Central American peace plan, Nicaraguan official sources said. However, they did not reveal the contents of their conversations.

Regional diplomatic sources have expressed doubts that the guerrilla activities in three Central American countries will end without the United States and Cuba reaching an agreement to end these activities. The close relations between Nicaragua and Cuba have been one of the main reasons Washington has used in accusing the Sandinists of exporting Marxist revolution to the rest of Central America.

Western diplomatic sources said that Castro realized that his presence could further increase U.S. actions against Nicaragua and give the U.S. Government an excuse to resume aid to the 15,000-strong Nicaraguan rebel army, which it helped build, to continue its fight against the Sandinist government.

The sources said that Castro's conversations with the foreign ministers of Mexico, Colombia, Venezuela, and Panama were intended to show Cuba's support for the Contadora Group's peace efforts.

Castro also talked to conservative opposition leaders who attended President Ortega's inauguration banquet, which lasted until early this morning. Castro sat next to Msgr Pablo Vega, chief of the Nicaraguan Episcopal Conference, a conservative and vehement critic of the Sandinists. Diplomats who attended the banquet said that Castro and Msgr Vega held a lively conversation and that Castro offered to send Cuban engineers to Managua to study reconstructing the cathedral destroyed by the 1972 earthquake. Msgr Vega told Castro that he would have to consult with the other members of the Episcopal Conference, the sources said.

UK's Kinnock Comments

PA121412 Managua Radio Sandino in Spanish 1830 GMT 11 Jan 85

[Text] At the conclusion of last night's inauguration of Commander of the Revolution Daniel Ortega as president and Sergio Ramirez as vice president, Neil Kinnock, leader of the opposition British Labor Party, said that the occasion is a celebration of democracy. The British politician also said that the inauguration demonstrates the Nicaraguan people's desire to strengthen democracy and to respect human rights. The popularly elected government, Mr Kinnock said, supports the cause of peace and will inspire the people of Europe and countries on all continents. The Labor leader said that the U.S. Government is very wrong to deny the legitimacy of the 4 November elections. He added that last year he clearly told President Reagan and Mr Shultz that there is democracy, political pluralism, a mixed economy, and respect for human rights in Nicaragua.

Cardoze on Ortega Speech

PA130053 Managua Radio Sandino Network in Spanish 1200 GMT 12 Jan 85

[Text] Panamanian Foreign Minister Fernando Cardoze Fabrega has said that Commander Daniel Ortega's inaugural speech offered many positive signs.

[Begin recording] I think there were many positive signs in President Ortega's speech. He once again reiterated his support for the Contadora Group's peace efforts.

He also mentioned his desire to guide the Nicaraguan Government on the path to a pluralistic democracy, a mixed economy, and respect for human rights. Thus, I think there were many encouraging signs in President Ortega's speech. [end recording]

Regarding the next meeting of the Contadora Group foreign ministers with their Central American counterparts, set for 14-15 February in Panama City, Cardoze said:

[Begin recording] Well, during the 14-15 February meeting, we will meet with representatives of the Central American countries to discuss some formulas that we will propose in an attempt to reconcile some of the points on which no perfect consensus has been reached among the Central American countries. [end recording]

Bosch on Managua Declaration

PA130041 Managua Radio Sandino Network in Spanish 1200 GMT 12 Jan 85

[Text] If the United States steps up its attacks against Nicaragua, many Latin Americans will come to Sandino's land to fight the invaders. This statement was made yesterday by Juan Bosch, former president of the Dominican Republic, a few minutes before leaving the country after attending the inauguration of Commander of the Revolution Daniel Ortega Saavedra as Nicaraguan president.

In commenting on the objectives that led political leaders, parliamentarians, and intellectuals to sign the Managua Declaration, Bosch said:

[Begin recording] [Bosch] we think that some Latin American states exercise their sovereign rights at least to a certain extent, while others do not. We want to call on all statesmen and all popular forces, particularly organized forces such as political parties, unions, and youth, female, and student organizations, to contribute with their militant support to the Contadora Group's efforts and objectives. We believe that if the measures proposed by the Contadora Group are implemented, they will prevent the further complication of the Central American situation. If attacks against Nicaragua are stepped up, the situation will become more complex, because Nicaragua's battle will not be a battle of Nicaragua or Central America alone, it will be a battle of all the Latin American countries. In other words, if the attacks against Nicaragua are stepped up, many Latin Americans will come here to fight and die if necessary, because if the Nicaraguan revolution (?failed) there would be no future for Latin America, except for submission and the (?severest) exploitation.

[Reporter] Who initiated the drafting of the Managua Declaration?

[Bosch] It was an initiative by several intellectuals, who were the first ones to sign the document.

[Reporter] Could this be considered a Latin American bloc against imperialist policy?

[Bosch] It is not exactly a bloc, because it is not an organized force. It is rather a call by a group of men who hold public positions, some of whom are well-known intellectuals and brilliant writers, such as Gabriel Garcia Marquez, [words indistinct]. Others are active politicians, such as many leaders of political parties, and others represent popular forces in Latin America. It is not a bloc; it is the voice of Latin America pleading for Nicaragua, because Latin America's destiny depends on Nicaragua's destiny. [end recording]

Kinnock, Seregni Depart

PA122029 Managua Domestic Service in Spanish 1607 GMT 12 Jan 85

[Report by Freddy Lopez Quiros from the Augusto Cesar Sandino International Airport]

[Text] British Labor Party Leader Neil Kinnock said he was pleased to have come to the land of Sandino. He said that he felt right at home. Kinnock was among the guests invited to President Daniel Ortega Saavedra's inauguration. The British Labor Party leader said enthusiastically that he had attended the birth of a new democracy led by intelligent, youthful men. The statement was in reference to Nicaragua's revolutionary leadership. Neil Kinnock left the country a few minutes ago. Liber Seregni, head of the Uruguayan Broad Front, was another distinguished figure invited to President Daniel Ortega Saavedra's inauguration. Seregni was also pleased to have come to our country. He left Nicaragua today. Likewise, OAS Secretary General Joao Clemente Baena Soares, whose statement we carried earlier, left the country.

Romanian, SFRY Delegations

For Bucharest AGERPRES reportage on meetings held in Managua between Alexandrina Gainuse, deputy prime minister of Romania, with Daniel Ortega Saavedra, president of the Republic, and with the foreign ministers of the Contadora Group member countries, see the Romania section of the 14 January Eastern Europe DAILY REPORT.

For Belgrade TANJUG reportage on the visit of Sinan Hasani, member of the Presidency of Yugoslavia, to Nicaragua and his meeting with Daniel Ortega Saavedra, president of the Republic, see the Yugoslav section of the 14 January Eastern Europe DAILY REPORT.

FOREIGN MINISTRY SENDS PROTEST NOTE TO HONDURAS

PA130029 Panama City ACAN in Spanish 2305 GMT 12 Jan 85

[Text] Managua, 12 Jan (ACAN-EFE) -- The Nicaraguan Government reported today that "members of the Honduran Armed Forces, acting in cooperation with Somozist mercenaries dressed in civilian garb" yesterday harassed from Honduran territory Sandinist troops located near the border between the two countries.

The Nicaraguan Foreign Ministry has sent a formal protest note for this action, which took place yesterday at 1645 (2245 GMT) in the place known as Palo Verde, 24 km west of Santo Tomas del Nance, Chinandega Department. The Nicaraguan Foreign Ministry did not include information about the military equipment used in the attack or report if the Sandinist Armed Forces sustained any casualties.

Foreign Minister Miguel D'Escoto said in his note that "these actions do not correspond in the least to statements made some days ago by the Honduran foreign secretary, in which he stated that the mercenary forces should be expelled from Honduran territory." Honduran Foreign Secretary Edgardo Paz Barnica said recently that all the "Somozists" should be "kicked out of Honduras." One day later rebel leader Brooklyn Rivera [as received], who commands an armed faction comprised of Miskito, Sumu, and Rama Indians, was arrested and then deported to the United States.

D'Escoto mentions in his protest note a previous request sent to Honduras that the "mercenary organizations which struggle to overthrow the Sandinist regime be controlled, disarmed, and removed from the border area, prior to their expulsion from Honduras."

NICARAGUA'S ORTEGA BESTOWS MEDAL ON CASTRO

FL121420 Havana Domestic Service in Spanish 1100 GMT 12 Jan 85

[Excerpt] Commander in Chief Fidel Castro has been awarded the Augusto Cesar Sandino Order, the Battle of San Jacinto grade, the highest degree of that order. The presentation was made at the inaugural ceremony for the new Victoria de Julio sugar mill, 60 km from Managua. To thunderous applause, Nicaraguan President Daniel Ortega awarded the high decoration after Foreign Minister Miguel d'Escoto read the decree of presentation.

CASTRO CONTINUES ACTIVITIES IN NICARAGUA

FL111758 Havana Domestic Service in Spanish 1700 GMT 11 Jan 85

[Text] More than 100,000 youths cheered Fidel Castro and Daniel Ortega, presidents of Cuba and Nicaragua respectively, when they arrived last night at the people's dance celebrating the inauguration of the Sandinist president.

Today, Friday, President Ortega and his guests will have a busy day that will include the inauguration of the Victoria de Julio sugar mill, built with Cuban assistance, at a cost of (?$100 million).

It is expected that during his second day in Nicaragua President Castro will meet with the foreign ministers of the four Contadora Group nations, who are tryigg to negotiate a peaceful settlement for Central America.

The commander in chief, Fidel Castro, arrived in Managua, Nicaragua, yesterday morning to attend the inauguration of Commander Daniel Ortega Saavedra as president of that sister nation.

U.S. CONGRESSMEN ARRIVE, TO MEET LEADERS

PA121514 Havana International Service in Spanish 1800 GMT 11 Jan 85

[Text] U.S. Congressmen William Alexander and Jim Leach arrived in Havana today to discuss the broadening of relations of mutual interest with Cuban authorities. William Alexander, democratic representative from Arkansas, said that the purpose of their trip is to learn about Cuba's experience in ocean research.

Today's visit is the beginning of a dialogue with U.S. congressmen suggested by Cuban President Fidel Castro in August 1984, when William Alexander visited our country with Mickey Leland, Democratic representative from Texas.

The two U.S. congressmen hope to meet with Fidel Castro and with Vice President Carlos Rafael Rodriguez as well as with the ministers of foreign trade, fisheries and agriculture.

MONTANE OROPESA CLOSES PEACE CONFERENCE

FL121700 Havana Domestic Service in Spanish 1200 GMT 12 Jan 85

[Text] Peace is more than just the absence of war. We aspire to peace for all nations, large and small, and in a world where there is respect not only for life but also for the self-determination of all.

With these words, Jesus Montane, alternate member of the Politburo, closed the conference against the arms race and for peace and development, which met in Havana, Montane said that every day the flag of peace wins the hearts of men and women of all continents, regardless of their creed or ideology.

Later, he noted that long before the Soviet Union existed, mankind had to endure innumerable wars, which refutes the contention that war is a result of socialism, the aims of which favor love and peace and oppose violence.

Montane said that for the reason, the Cuban party and government fully support the Soviet Union's policy of peace, which has the support of all other socialist countries. Montane also noted the important Soviet-U.S. meeting in Geneva, although he said it is still too early to talk about the results of that meeting because this is a long and complex process.

OFFER TO HOST 1985 WHO CONFERENCE WITHDRAWN

FL121351 Hilversum International Service in Spanish 1030 GMT 12 Jan 85

[Text] Cuba has withdrawn its invitation to host the 1986 annual conference of the World Health Organization [WHO]. According to the Cuban minister of health, Dr Sergio del Valle Jimenez, this decision was made in order to avoid increasing international tensions and to preserve the unity of the WHO. The Cuban minister was alluding to the problems surrounding UNESCO, from which the United States has withdrawn in protest against what it sees as the increasing politicization of this UN organization.

The director general of the WHO, Halfdon Mahler, called the Cuban decision a wise one. The annual WHO conference will now be held in Geneva instead.

HART RECEIVES ARGENTINE CULTURE SECRETARY

FL111246 Havana Domestic Service in Spanish 1100 GMT 11 Jan 85

[Excerpt] Armando Hart, Politburo member and secreatry of culture, has received his Argentine counterpart, Carlos Gorostiza, at Havana's Jose Marti International Airport. Gorostiza is visiting Cuba at Hart's invitation.

CONGOLESE DELEGATION VISITS ISLE OF YOUTH

FL112036 Havana Television Service in Spanish 1255 GMT 11 Jan 85

[Text] Jean Ganga Zanzou, Politburo member of the Congolese Labor Party and president of the National Assembly of the People's Republic of the Congo, has arrived on the Isle of Youth. The distinguished visitor and his delegation were accompanied by Jorge Lezcano Perez, Central Committee member and vice president of the People's Government National Assembly.

They were welcomed by Armando Manresa, alternate member of the Central Committee and party first secretary in the special municipality. A group of pioneers gave them bouquets.

The visitors toured the model prison, national monument, and other places on the Isle of Youth.

FAR VICE MINISTER ROSALES VISITS MILITARY UNIT

FL111832 Havana Domestic Service in Spanish 1800 GMT 11 Jan 85

[Excerpt] Division General Ulises Rosales del Toro, Central Committee member and first vice minister of the FAR, and chief of the General Staff, today visited Military Unit No 4219, which was the best in the Western Army in the manufacture and recovery of spare parts. The visit took place within the framework of the first forum on recovery and manufacture of spare parts in the Western Army, being held since yesterday in this command.

MONTANE SPEAKS AT SANCHEZ MONUMENT DEDICATION

FL121557 Havana Domestic Service in Spanish 1100 GMT 12 Jan 85

[Text] A monument to the memory of Celia Sanchez has been dedicated in Havana's Lenin Park. The dedication was made at a ceremony marking the fifth anniversary of Sanchez' death. The ceremony was presided over by Ramiro Valdes, member of the Politburo. Jesus Montane, alternate Politburo member, delivered a speech.

Montane said the unique monument seemed more like Celia herself than a monument, set among trees, stones, and flowers, Montane said Lenin Park had been chosen as a site for the monument because it was a project that made Celia happy, and also the area has historic significance because it was here that Fidel and the others who attacked the Moncada Barracks first practiced shooting.